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

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TV QUIZ SPECTACULAR PROMOTED BY HARRIS: This is headline-comeback week for Oren Harris (D-Ark.) & his House Commerce legislative oversight subcommittee. Although FCC TV "influence" exposes were among hottest things on Capitol Hill in 1958, the subcommittee has done little since.

They're hopefully trying another news-making format—public hearings on last year's big-money network-TV quiz-show scandals (Vol. 15:37)—after failing so far in 1959 to come up with anything like 1958's FCC sensations, despite early-session promises (Vol. 15:1).

Large House caucus room has been reserved for quiz investigation by Harris. He hasn't needed it to handle crowds of hearing spectators since oversight subcommittee began breaking story of backdoor con-ning for Miami Ch. 10 (see p. 5) in Feb. 1958 (Vol. 14:7).

Quiz probe will be continuous show in the hearings which open 10 a.m. Oct. 6 in high-ceilinged chamber on 3rd floor of old House Office Bldg. Hearings are scheduled to run morning & afternoon through Oct. 9—with extended engagement possible next week if this week's performances by witnesses warrant it.

Booked for hearings is "selected" cast of witnesses, according to subcommittee counsel Robert W. Lishman. They're expected to include contestants, network officials, producers, sponsors—many of whom appeared before N.Y. Grand Jury which explored allegations that winners were coached on answers.

"Some of the witnesses will be reluctant," counsel Lishman told us. "We've had to issue a considerable number of subpoenas to get them down here. Most of them started out to be cooperative when we first talked to them about appearing, but as soon as they get close to the hearings they start to get worried about the publicity."

Rough script for Harris hearings has been outlined by subcommittee staffers who spent weeks looking for leads in minutes of Grand Jury—which returned no indictments. No precise roster of witnesses was ready at last week's end in Harris's absence from Washington, however. And other subcommittee sources told us he plans to run proceedings largely by ear—with no set order for witnesses to be called. Harris has insisted that purpose of hearings isn't to revive stale scandal stories but to determine whether new FCC or FTC regulations are needed to protect public from any fraud perpetrated by TV programs.

POSING THE EQUAL-TIME PROBLEMS: Broadcasters are pleased with new political equal-time law (Vol. 15:36), but there's going to be a lot of groping & experimenting before either the industry or Govt. is comfortable with it. That was quite clear from a panel discussion on subject sponsored by the Federal Bar Assn. in Washington Sept. 25.

The panel of capable industry & govt. attorneys, assembled by moderator Harry Plotkin, did an exceptional job of pointing up the knowns & unknowns. It comprised: FCC Comr. Fred Ford, CBS v.p. Richard Salant, NAB chief counsel Douglas Anello, Justice Dept. attorney Richard Solomon (recently from FCC), private practitioner Joseph Rauh.

Host of questions was raised, and it's obvious that FCC will just have to try to anticipate as many problems as it can, as it drafts new rules, hoping that the rules will cover most major squabbles as they arise. A major uncertainty is this: Broadcasters no longer need to give candidates equal time to compensate for the appearance of their opponents on certain types of news programs. However, broadcasters also must be "fair" about the whole news schedule. How & when will a broadcaster's "fairness" be judged by FCC? Immediately upon the filing of a complaint? Several years later, at license renewal time? No one knew. (For details of the discussion, see p. 4.)

LATIN-AMERICAN FILM-TAPE SUPERMARKET: A master film-buying-&-selling organization for Latin-American TV stations and the headquarters of a video-tape network spanning the Spanish-speaking world—these are aspirations of year-old Television Interamericana S.A. (TISA), which may soon unite Latin America's biggest telecasting interests for first time.

Preliminary talks between Cuban & Mexican TV moguls Goar Mestre & Emilio Azcarraga in Havana (Vol. 15:38) have been encouraging enough to warrant further discussions between the 2 this week at the Interamerican Assn. of Broadcasters' biennial convention in Mexico City. "Within the next 30 days we'll know if Mexico is coming in," says Mestre—"but at any rate, we're set up for business."

Actually, TISA has been in business for some time. It is owned jointly by Mestre's CMQ-TV network, RCA distributors Lastra & Humara's Cuban CMFB-TV network, the John G. Johnson group which owns WAPA-TV San Juan, P.R., and Venezuela's 4-station Radio Caracas network. Mestre is pres.; Benigno Nosti, ex-CMBF-TV film mgr., is full-time exec. v.p.

"TISA aspires to supply a reasonable percentage of the film needs of Latin America—both our member and non-member stations," Mestre told us, "We hope also to lay the groundwork for a tape interchange between Latin-American countries."

In telefilm field, TISA has 3 ways of operating: (1) It serves as a pooled buying organization to acquire film material of all types on world market for its member stations. (2) It will accumulate, when market conditions are favorable, U.S. film which has already been dubbed for Spanish-speaking market. (3) It is acquiring Latin-American rights (on a 3-to-5-year basis) to U.S. film properties, either on a flat sum or participating basis (a percentage after recouping dubbing costs), for member stations and resale to others.

Latter plan apparently is heart of TISA at the moment. Under this technique, TISA buys non-dubbed films, handles complete dubbing (in Mexico, Puerto Rico, Cuba or Venezuela) & distribution. It already has acquired rights to 10 CBS Films properties—including Gunsmoke, Lucy, Trackdown, Have Gun—Will Travel, Zinnie Oakley, Whirlybirds, Perry Mason, Navy Log. It is handling distribution arrangements (under plan No. 2) for such CBS properties as The Whistler, Foreign Legion, cartoons, CBS News. Although deals so far have been only with CBS, basic theory of TISA requires that it work with most, if not all, TV film distributors.

Though some U.S. film distributors look with alarm at TISA as possible price-depressing cartel, Mestre says this just isn't so. As he explains it: "We're not trying to buy all film material for Latin-American stations—just a reasonable percentage . . .

"A large number of U.S. syndicators have been deceived about the potential of the Latin-American market," he says. "More than 130 shows have been dubbed in Spanish, and the market is good for only about a quarter of that number. Prices are tumbling as syndicators try to recoup their dubbing costs—it's a buyer's market in TV film. A lot of people are going to get hurt.

"Latin America is still an undeveloped TV market which is just beginning. Distances between stations are vast, and the cost of doing business is exorbitant for any single U.S. company." With TISA buying film rights, doing the dubbing, supplying film to its member stations and handling distribution to non-members, he says, order can be brought out of chaos.

How far TISA intends to go in dealing with sponsors & ad agencies isn't known—but U.S. film distributors point out that most of their Latin-American deals are directly with sponsors, rather than with stations. At any rate, if Mexico's powerful Azcarraga group joins up as TISA member & owner, the group's hand will be immeasurably strengthened in all aspects of the Latin film-tape trade.



To deal with just such issues as TISA poses—in fact, all TV program export problems—a new U.S. trade group is in organizational status now and hopes to be a going concern by year's end. Patterned after Motion Picture Export Assn. and assisted by that organization, the association would help telefilm firms with problems of overseas film quotas, currency exchange, export regulations, etc.

Forming the export group are film syndication wings of the 3 networks, United Artists and MCA TV. William H. Fineshriber Jr., ex-international sales dir. of Screen Gems, was named special consultant for 10 weeks to draft "specific organizational documents." CBS TV stations div. pres. Merle Jones is temporary chairman. George Muchnic is committee counsel.

BELL LABS PUSHES TV SPACE RELAY TESTS: First experiments in actual use of space satellites to relay TV pictures—forerunner of live transoceanic TV—are expected to begin next year in a joint project of Bell Labs and National Aeronautics & Space Administration.

Transmissions of bandwidths wide enough to accommodate a TV channel will originate at Goldstone, Calif., for pickup at Holmdel, N.J., 2,300 miles away. The first experiments are due to be made using orbiting aluminized balloons about 100 ft. in diameter at a height of about 1,000 miles. They'll be "passive" satellites—that is, reflectors with no electronic gear in them. Later experiments will use "active" satellites, or orbiting relay stations.

Bell Labs figures that either an active or passive satellite could accommodate enough bandwidth for 900 simultaneous phone channels or one TV channel. About four-fifths of the cost of the work is being paid by Bell Labs, the remainder by NASA.

THE BRITISH HAVE LANDED: Large-scale invasion of U.S. market in TV cameras is being launched by Ampex with the British-built Marconi Mark IV (Vol. 15:17, 28) which features 4-½ in. image orthicon tube among long list of plus values (for details, see page 8). It's first item of line of Marconi-built TV products Ampex will distribute in U.S., we were told at Sept. 30 N.Y. demonstration.

Camera was tailored to stiff specifications of BBC-TV. Praised earlier this year by CBS-TV engineering v.p. William B. Lodge (Vol. 15:12). Mark IV will be pushed heavily to networks (CBS-TV ordered 5 in a direct deal made before Ampex-Marconi tie-up; ABC-TV is "interested"; NBC-TV would rather not discuss it), independent tape producer-syndicators, and to station market where much camera equipment is now 10 years old or more.

Other British 4-½ in. cameras are due in U.S. soon from Pye Ltd. and EMI, although 62-year-old Marconi firm has the jump via Ampex distribution, plus fact Ampex will promote the \$17,000 camera as part of "package" with its new VR-1000B recorder.

Large-sized camera tube isn't new. In fact, "more than 300" TV cameras (Mark III) equipped with it have been turned out. What's new about Mark IV is its scaled-down size, slick design & novel features.

Ampex thinks picture quality of Mark IV is so good it's bound to cause shakeup in U.S. manufacturing. As Cyril Teed, part of visiting Marconi team, put it to us: "Three-inch cameras give marginal

performance by comparison except in the hands of a real expert." If sizable sales develop on the import cameras, you can be sure RCA, GE & others will get in the act with 4-½ in. models of their own.

Demand exceeds output of Marconi camera, we're told. Currently "one complete camera channel per day" is being turned out, but more Marconi facilities can be tapped if needed. Printed circuitry is used extensively, and mass production is possible, say Marconi-Ampex executives.

DIMENSIONS OF CATV INDUSTRY: Studying our new community-antenna directory, a 29-page section of Fall-Winter Factbook which is now in the mails, we find systems continuing their development at the same steady date they've maintained over last few years.

It's impossible to pinpoint every system & every subscriber, but our fairly well-educated guess is that about 2,250,000 people in U.S. now get their TV via cable. Here are key figures derived from the directory, which is based on exhaustive questionnaires directed at CATV operators themselves:

(1) 597 systems now operating in U.S., vs. 555 six months ago (Vol. 15:14). Canada: 150 vs. 144.

(2) Total U.S. homes served by those supplying pertinent figures: 605,607 vs. 549,967 six months ago. Canada: 84,622 vs. 67,594. These statistics don't include customers served by systems with fewer than 125 subscribers. We've concluded that the latter aren't "in business" in a realistic sense—rather are neighborhood-type affairs.

(3) Estimated potential of U.S. systems, according to operators, is 1,065,768 homes—vs. 952,470 in our last roundup. Canadian potential: 145,725 vs. 124,975.

(4) Average number of subscribers per system (of those with more than 125): 1,219 vs. 1,215. Canada: 846 vs. 815.

(5) Average potential per U.S. system: 2,248 vs. 2,103. Canada: 1,487 vs. 1,506.

The directory, most comprehensive published, includes: name of company, address, telephone, number of subscribers, estimated potential, date of start, make of equipment, principal officer, station signals distributed, list of group owners.

Congress

Bipartisan Broadcasts: Sens. Scott (R-Pa.) & Clark (D-Pa.), who launched a unique joint TV-radio political program for home-state stations in Feb. (Vol. 15:8), wound up the first session of the 86th Congress with 7 TV & 9 radio outlets carrying the show regularly.

"We do not have an accurate count on the audience, but our heavy mail and the newspaper coverage of each appearance indicates that we have a very large & enthusiastic audience by normal public-service standards," Scott's press consultant Eugene S. Cowen told us. He & Clark's staffer Bernard Norwich co-produce the bi-weekly film-&-tape programs in the Senate's TV-radio studio. The stations pay \$45 for films, \$8.50 for tapes.

The format of *Your Senators Report* varies. Sometimes Scott & Clark act as "a sort of political buck & wing team," as the *Philadelphia Inquirer* described the bipartisan performance. Sometimes the Senators put guests through political paces on domestic & international issues. They have included Republican National Chmn. Thruston B. Morton, Democratic National Chmn. Paul M. Butler, Sens. Aiken (R-Vt.) & Douglas (D-Ill.).

There's no editing of the 30-min. no-holds-barred political program. It "might well be emulated" by Senators from the other 14 states which are represented by one Republican & one Democrat, *Variety* said, pointing out that stations needn't be "leery of a program featuring opposing viewpoints" on controversial subjects.

FCC-approved TV-equipment list, as issued by the Commission last week, is included in full text in our new *Fall-Winter Factbook* (No. 29).

The FCC

More about

INTERPRETING 'EQUAL TIME': The Federal Bar Assn. panel discussion of the new political broadcasting law (see p. 2) served a major function of assembling questions for FCC's consideration as it begins drafting rules to carry out the intent of Congress. FCC Comr. Fred Ford began by listing these questions:

(1) What is a "regularly scheduled newscast?"

(2) When is the appearance of a candidate "incidental" to a newscast?

(3) What is a newscast? A documentary? Etc., etc.

(4) Will FCC have to review a station's entire program structure before making a decision on its "fairness?" "We can't give split-second decisions," he said.

(5) How much information must FCC request from broadcasters, to show Congress what it based its decisions on? "It may be considerable," he said.

CBS v.p. Richard Salant, whose network led the fight for amendment of the law, summed it up thus in his direct statement and in answer to questions:

"I'm pretty happy. It's an important step forward. Some day we'll ask for more freedom. Face-to-face debates should have been exempted, but we got pretty good hors d'oeuvres . . . The law gives us more freedom, and also more responsibilities . . . The sole test is newsworthiness. We like to consider ourselves as sensible, sophisticated news people. Small parties, such as the old Bull Moose, Progressive and States Rights, have to be recognized. But I don't think that our job is to build up insignificant new parties. Rather, it's up to us to use sophisti-

cated news judgment." He added that tiny splinter parties could be handled in a special program, in non-prime time.

"With the new amendment," Salant said, "we can give even more free time. If you're willing to show yourself as you are, we'll give you more free time than you want." He indicated a general disapproval of "set" political speeches. He also defended FCC's Lar Daly decision, asserted that it was "not unreasonable" in light of the law, claimed that press & broadcasters have been unfair to FCC.

Salant was disturbed about the formation of the new Yarborough "watchdog" subcommittee (Vol. 15:38), which is designed to insure "freedom of speech." "I must express extreme distress about it," he said. "There's a danger of running into the First Amendment. I recall that one Senator once called for all CBS's scripts dealing with segregation, asserting his examination of them would determine how he'd vote on the Bricker network-control bill."

Salant concluded that "broadcasters are now obligated to provide more political broadcasting & information programs. We can now do a more comprehensive job."

NAB chief counsel Douglas Anello said that Congress didn't go far enough: "I'm disappointed because Congress wouldn't even consider repealing Sec. 315. This means that broadcasters haven't sold Congress & the Administration on the good job stations are doing. Broadcasters are as grown up as newspapers. We'll try to make it work, but it won't be easy. Small broadcasters are going to have problems. How are they going to determine what a newscast is? They have a right to freedom of editorial opinion."

Justice Dept. attorney Richard Solomon was concerned about the "fairness doctrine." He wondered when FCC would determine whether a station had been fair—"3 or 4 years later, at renewal time? The Congressmen fear that. It's fair to say the industry & FCC are on probation."

Attorney Joseph Rauh, a politically active Democrat, took an entirely different angle—stating that the poorer candidate is discriminated against. He made a proposal: Require stations to give free time one hour weekly for the 8 weeks preceding Presidential elections. "Maybe the law requires this now, under the fairness doctrine," he said.

Share-time Ch. 10 grants to WHEC-TV & WVET-TV Rochester were sustained last week by the U.S. Court of Appeals, as it upheld FCC's denial of the protest filed by radio WSAY. Said Judges Prettyman, Fahy and Washington: "We have considered the several procedural contentions raised by appellant and find in them no basis for reversal. As to the merits, the principal contention of appellant is that the grants are inconsistent with the public interest, convenience and necessity in that they result in undue concentration of the media of mass communication in the area affected. The Commission weighed the factors relevant to this contention and resolved the issue in a manner which we think in the circumstances was within its allowable discretion. For this reason, and finding no [other] error, the decision & order are affirmed."

Radio-antenna towers, now painted with white bands half the width of the orange bands, must be repainted with bands of equal width by Jan. 1, 1960, FCC reminded broadcasters last week. The new markings are a result of a change in its rules adopted by FCC in 1953.

Winter resident J. Patrick Beacom of Fort Pierce, Fla., who also is grantee of WJPB-TV (Ch. 35) Fairmont, W. Va., petitioned FCC last week to switch either Ch. 14 from Lake Wales or Ch. 15 from Ocala to Fort Pierce so that he may apply for it.

Mack Loses Appeal: The U.S. Court of Appeals in Washington last week rejected pleas by ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside for acquittal on charges that they conspired to rig the award of Miami Ch. 10 to National Airlines' WPST-TV.

Counsel for Mack & Whiteside had sought to block a new trial for them—now scheduled to start Nov. 3 (Vol. 15:38-39)—on grounds that District Court Judge Burnita S. Matthews improperly denied their motion for dismissal of the case. The lawyers argued that a sequence of lower court events—including the jury's failure to reach a verdict in the 14-week first trial—should prevent a second trial. But a 3-judge Appeals Court panel said that the pleas weren't supported by Federal Court procedural rules.

Further legal moves which could delay retrial of Mack & Whiteside were promised by counsel Arthur J. Hilland & Nicholas Chase, however. They planned to ask the Appeals Court for a rehearing of their arguments.

Grant of Ch. 9 in Eugene, Ore. was awarded tentatively to Liberty TV Inc. by FCC Examiner Thomas H. Donahue last week. The newcomer, with no broadcast record, no qualification blemishes and a slightly superior program proposal, was preferred over competitor KEED, an applicant "experienced in broadcasting but with a bad record." Donahue berated KEED for its tendency toward over-commercialization & its dearth of public-service programs; he cited figures which showed that KEED devoted an average of 10% of its time to spot announcements. The station's "tepid public-service" activities and its frequent newscasts save it from being characterized as a "platter-playing & huckstering" station, he said. But, he concluded, the station's record, "taken together with the sharp deviation between [its] promises & its performance" gives it a "whopping demerit." The 3rd contestant—Northwest Video—had withdrawn its application last Nov.

KFJZ-TV's efforts to switch from Ch. 11 to Ch. 2 in Fort Worth, met opposition last week from WBAP-TV (Ch. 5) Fort Worth, WFAA-TV (Ch. 8) Dallas and the Joint Council on Educational TV. The opposition came in comments filed in response to FCC's rule-making proposal to switch educational Ch. 2 from Denton to Fort Worth, KFJZ-TV's Ch. 11 to Denton for educational use. Non-affiliated KFJZ-TV said it wants to shift to Ch. 2 to increase its coverage & make itself more attractive as a potential network affiliate. WBAP-TV & WFAA-TV said the station could achieve the same results with power-height increases. WFAA-TV added that if the channels are switched, all potential applicants should have a chance at Ch. 2 JCET said Ch. 11 in Denton would get adjacent-channel interference from KXII (Ch. 12) Ardmore.

Protest by KFDX-TV (Ch. 3) Wichita Falls, Tex. to the grant of an application by KSWO-TV (Ch. 7) Lawton, Okla. to change power, antenna height and transmitter location was granted by FCC last week. KFDX-TV based its protest on the economic injury issue, stating that the changes in KSWO-TV facilities, including a move to within 24 mi. of Wichita Falls, would put a city-grade signal into Wichita Falls. FCC ordered an evidentiary hearing but denied a request by KFDX-TV to stay the grant.

Uncontested grant of Ch. 12, Farmington, N.M., was tentatively given to Farmington Bestg. Co. in an initial decision issued by Examiner Elizabeth C. Smith last week. Competing applicants Farmington and Four Corners Bestg. Co. got together last March and agreed to merge into an equally-owned company.

Programming

WEE SMALL HOURS GOING BIG: The 3 network o&o's and most of the 4 independent outlets in N.Y.—faced with increased demands for nighttime announcement slots by agency timebuyers—are pushing their program frontiers even further into what one station sales dir. last week called “the insomniac hours.” Every N.Y. TV station is on the air until, and usually past, midnight, and no one lifts an eyebrow any more when advertiser availabilities as late as 2:30 or 3 a.m. are discussed. Here's the 7-station market at a glance:

WRCA-TV: Now “completely sold out” (according to station mgr. Max E. Buck) in prime time 20-sec. & 1 min. availabilities (thanks in part to an “orbit plan” whereby nighttime advertisers rotate in a series of prime-time spot positions), the NBC-owned station is the latest flagship to invade the early-morning hours. Having recently added the locally telecast *Consult Dr. Brothers* (1-1:15 a.m.) following the network's *Jack Paar Show*, WRCA-TV added on Oct. 5 an extra 30-min. participation segment, *13th Hour Drama*, to run from 1:15 to 1:45 a.m. across the board, utilizing Screen Gems & MCA TV dramatic anthology reruns. On weekends, WRCA-TV airs double-feature movies starting at 11:15 (Sat.) and 10:30 p.m. (Sun.).

WCBS-TV: A pioneer in programming for stay-up-late New Yorkers with its 8-yr.-old *Late Show & Late Late Show* double-feature strip starting at 11:15 p.m., the CBS flagship on Oct. 3 started stretching its Sat.-night schedule another half-hour. Scheduled to follow the “late-late” feature on Sat. (technically, Sun. a.m.) are reruns of the 30-min. *New York Confidential* series. If the syndication show draws sponsors and an audience in the 3 a.m. area, WCBS-TV may add other 30-min. reruns at that time.

WABC-TV: N.Y.'s ABC-TV flagship last month lengthened its list of spot availabilities with a slightly different tactic. Now slotted on week nights in front of its regular *Night Show* feature showcase is a 1-hr. local variety show, *Everything Goes* starring Harvey Lembeck (in a format like Paar's), that now delays the feature until 12:15 a.m.

WNEW-TV: Another believer in a blend of late-night movies-&-controversy, WNEW-TV airs a Mon.-Thur. schedule of *5-Star Movie* at 11 p.m., followed by the tape-syndicated *Paul Coates Show* at approx 12:45-1:15 a.m. On Fri. & Sat., *5-Star Finale* replaces Coates with a double movie.

WOR-TV: The only N.Y. outlet ever to experiment with a completely all-night program schedule in TV's earliest days, WOR-TV still keeps its franchise with movie viewers who prefer black coffee to Ovaltine at night. In its Mon.-Thur. late lineup, WOR-TV slots a double feature, *Million Dollar Movie* and *Mystery Theatre*, followed by a newscast that keeps the station on until 1:30 a.m. or later. On Sat., the 10:30-11:30 p.m. slot is occupied by *Major League Bowling*, followed by a 30-min. mystery telefilm rerun series, followed in turn by horror-film host Zacherley.

WPIX: The nearest thing to an early-to-bed station in N.Y. this season is *New York News*-owned independent WPIX. Currently, the station's late-night policy is a news-sports package at 11-11:20 p.m., followed by a single feature film showing in its *All Star Theatre* strip.

WNTA-TV: An advocate of late-night “talk” shows featuring offbeat personalities, WNTA-TV has a varied schedule during the 7-day week built around Henry Morgan, Mike Wallace (who has interview shows and a 12:30 a.m. newscast series), David Susskind, and Ted Steele. Advertiser availabilities are provided as late as 1 a.m.

Summed up: “Extra programming to make room for a waiting list of sponsors,” said one N.Y. station mgr.

BARTER BASEMENT: Although 50% of all telefilm being offered in Los Angeles is on barter—a sharp increase—the film-for-time merchants are now receiving a cold reception in this 7-station market which was once a haven for the barter specialists. An obvious reason for the switch is the current prosperity in Los Angeles (Vol. 15:28), but other reasons were also offered by station executives we checked.

Barter is being offered in 2 ways. One is the direct distributor & station deal: time for film. In the other situation, the distributor works through an ad agency which controls time; this becomes a triangular deal, with the station not actively taking the film as barter.

Here's what Los Angeles station executives told us last week about barter:

Clark George, gen. mgr., KNXT, CBS o&o: “We aren't interested in barter deals. The last offered was a strip of *Death Valley Days*, from McCann-Erickson.”

Jim Parks, sales mgr., KRCA NBC o&o: “We don't have even a half-hour available for any syndicated show. We've had barter deals—but no more. We no longer find them an attraction. Hard cash is preferable.”

Bob Quinlan, prog. mgr., KTLA: “A lot of barter deals are being offered to us, but we're not taking any. We're having a helluva time clearing paid spots, and aren't interested in discount dollars, which you have in barter. We're wrapping up one or two old barter contracts. Quite a few of these companies need ready cash, and about 50% of the film offered is on a barter basis.”

Selig Seligman, v.p. & gen. mgr., KABC-TV, ABC o&o: “Because film distributors have found difficulty in selling in this market, some who normally would not do this are bartering. Screen Gems has set up a barter dept. We had one deal with Guild Films 2 years ago, but are out of it now. We have no need for bartering; business is very good.”

Jim Higson, prog. mgr., KHJ-TV: “We have a small percentage of film through barter, mostly cartoons. We've never got any good features or TV film out of a barter arrangement. Quite a few deals have been offered us, but we haven't made such a deal for quite a while.”

A KTTV spokesman who declined to be identified: “We've made one barter deal in our history—on *Life of Riley*. We don't like barter because of the difficulties of administering the arrangements involving time schedules and the number of spots. Such deals are offered us.”

Alvin Flanagan, v.p. & gen. mgr., KCOP: “Half the films being offered us are on barter, but we're not interested. Our A and B time is sold out. Official, Guild, Schubert and Flamingo are experienced in barter.”

The Los Angeles story is probably reflected wherever business is good throughout the country. For, as one eastern station executive put it, “Barter served a purpose in TV's earlier days when business was slow and stations contended with lack of program availability. It was economically sound then to trade time for needed programming, and there's no question but that barter helped many stations over rough spots. Today, fortunately, business is good and there's no shortage of network programming. The economic factors which made bartering desirable & even necessary do not exist today.”

Janet Leigh, Caesar Romero and Hans Conreid will appear on the opening panel of ABC-TV's *Take a Good Look*. The live series is the first panel show to have an all-Hollywood guest roster. Other panel programs, such as *What's My Line?*, use N.Y. personalities for permanent panel spots, and an occasional Hollywood guest.

Blue-Gray Blue Chips: Evidence that public-service shows can attract top TV sponsors as well as critical kudos could be found last week in the first round of sales made by Westinghouse Bestg. Co. for its 30-min film series, *The American Civil War*. Signed-up for the 13-episode prime-time package on the 5 WBC outlets so far: General Foods (for its premium-price Yuban Coffee), General Mills, Duke cigarets, Renault Motors (for the Renault Dauphine, biggest TV user among the foreign cars), Nationwide Insurance Co., and Pittsburgh's Iron City Brewing Co.

The series, written & produced by WBC national program dir. Bill Kaland & historian Roy Meredith, represents a WBC-financed production investment (thus far) of \$150,000—modest in terms of nationally syndicated 30-min. shows, but hefty for film-production by a single station group. WBC executives are now discussing with syndication firms national & international distribution of the series. They anticipate a prime-time & subsequent-run (with ETV tie-ins) market in this country & overseas.

Although the show isn't officially on the telefilm market yet (the first advance screening of 2 episodes for a N.Y. press group was held Oct. 1), "at least 8 stations" have wired WBC to ask for availabilities on the series. Interestingly, although the 3,000 Brady photos used for the series' stop-motion-plus-narration technique deal largely with the Union side, most of the advance interest is from Southern stations, Kaland said.

Timing of the new series comes on the heels of the WBC-sponsored San Francisco conference on public-service shows at which most speakers advocated prestige programming as commercially feasible.

Oscarcast Seesaw: Confidence that the movie industry will again sponsor its Oscar Awards telecast on NBC next spring—although one studio is withholding its decision—was expressed last week by Ben Kahane, pres. of the Academy of Motion Picture Arts & Sciences.

Kahane told us that Universal-International pres. Milton Rackmil was not present at the Motion Picture Assn. of America's recent N.Y. meeting, and that his representative said he could not deliver a decision until conferring with his company. All the other companies have indicated their willingness to participate. "I think the association will decide to sponsor the show. I will know definitely and very soon when Eric Johnston (who is MPAA's pres.) comes here for conferences," Kahane said. He could not estimate now the cost of the telecast, but explained that each major & independent movie company contributes 0.25% of its domestic receipts. This sum did not reach the \$800,000 the telecast cost last year. The Academy, which covered last year's small deficit, is currently in negotiation with MPAA for this money, and to set up a method for covering future deficits. The first telecast had no deficit.

Kahane is firmly against returning the Oscar telecast to commercial sponsorship. Certain top stars won't appear on a commercially sponsored show; sponsor conflict would preclude the appearance of others; but Kahane's principal reason is the belief that this telecast is the best possible public-relations & box-office buy for the cinema industry. Ex-Academy pres. George Stevens concurs. The general sentiment expressed by top Hollywood executives we called was that while there may be some "pulling and hauling," the companies will again vote unanimously to sponsor the telecast. Meanwhile, NBC has started talks for renewal of the Academy's contract, which expires in April. NBC, of course, is eager to keep the show, for although it doesn't make money for the network, it is a rating & prestige-builder.

Westerns Go Thataway: As it must to all overabundant program types, rating trouble came last week to network Westerns. Audience performance during the summer months had been lackluster and the ratings scored so far this fall by Westerns haven't been much better.

Trendex multi-city rating figures for Westerns during the Aug.-Sept. period are enough to worry any network. Sponsored network Westerns (*Gunsmoke*, *Have Gun*, etc.) drew a Trendex rating level of 14.5 and a share-of-audience figure of 42.3% of viewing homes in Aug.-Sept. 1958. In the comparable 1959 period, Trendex figures show a level of 13.5 (down a full point) and a share of 38.5 (down 3.8 percentage points).

The fact that viewers may be deserting TV's electronic corrals (although not in startling numbers) was actually foreshadowed earlier this summer in Nielsen reports.

In the June-July-Aug. period (in which most network Westerns were in a rerun cycle) this year, the 10 top-rated Western series drew a Nielsen average-audience rating figure of 21.3. In the summer of 1958, with virtually the same lineup of Western shows, the outdoor sagas drew a 24.3 AA. This represents a 12% drop in rating as well as a drop-off of nearly 10% in terms of the share of the total viewing audience attracted by Westerns.

With several new Western or semi-Western series (*Riverboat*, *The Deputy*, *Johnny Ringo*, etc.) having made unspectacular debuts this season, and with many unsold Western pilots still on the shelves of Hollywood producers, not a few industry executives were wondering last week if Westerns, as a program type, were really riding quite so tall in the saddle after all.

Delinquent TV parents who have "abdicated their authority over their children to TV sets" were blasted last week by Richmond County (N.Y.) district attorney John M. Braisted Jr., addressing the International Assn. of Chiefs of Police. He also rapped TV's tendency to show "programs portraying life as a cheap commodity and concentrating on sadistic & brutal violence." Charging that in some homes "TV has become the substitute for parental guidance & attentiveness," Braisted warned that the danger in parental failure to screen their offspring's TV fare was that youngsters tend to identify themselves with adult "good guys or bad guys."

More overseas-taped shows are in the works. NBC-TV has scheduled Nov. 10-12 origination in Nassau, for *The Jack Paar Show*. Paar and a 60-member troupe—including Hugh Downs, Jose Melis & 7 guest panelists—will tape nightly shows a day in advance at the British Colonial Hotel, and on various locations in the Bahamas. To handle remote facilities, the hotel has rebuilt part of its public rooms, and NBC will ship an Ampex-equipped mobile tape unit and 4 RCA cameras to Nassau from Miami. Dave Garroway, who started the tape-junket trend earlier this year with a week-long (strike-inspiring) stint in Paris, is currently discussing with NBC a location trip to Japan for *Today*.

TV-taped *Major League Baseball*, 60-min. series of 26 panel-selected outstanding games, will be telecast weekly by WGN-TV Chicago on Sat. afternoons starting this week (10). The games were selected from more than 200 taped in all major league cities, stripped of time lapses, and produced with TV-announcer Jack Brickhouse narrating play-by-play. Peter DeMet produced the series; World Wide Productions distributes.

Stations

More about

AMPEX'S BRITISH NEWCOMER: A TV camera that's kinder to the lines & shadows in an actress' face, that gives a more balanced gray scale with no "black halo" around sharp lights, that is so stable 30 out of 45 of its controls can be pre-set and kept under lock & key, that frees the cameraman from many routine functions better managed from the control room, and that improves the quality of 2nd & 3rd generation tapes made from its picture signal—those are some of the claims Ampex is making for the British-built Marconi Mark IV camera it is now distributing in the U.S. (see p. 3).

Much of the camera's advantage over the 3-in. image-orthicon models standard in American TV stems from its 4½-in. tube, which produces a "negative" that's 50% larger than that of a 3-in. camera. A signal-to-noise ratio improvement of up to 6 db over the 3-in. models is thus gained, and the harsh look that haunts TV shots of even the most attractive models in commercials is avoided.

There are other points designed to catch the eye of tape producers, networks & stations: (1) Automatic iris, remotely controlled, that operates all the lenses on the camera turret at once, permitting operation of the picture tube at constant light level. (2) The picture in the viewfinder is fed back from the control room, with a mixing device that allows for superimpositions to insure accuracy in trick shots. (3) Camera warmup takes only 20 min.; thereafter, the camera operates for "months & months" without any appreciable knob-twiddling.

Mark IV, weighing 95 lbs., also has built-in international flexibility. An optional feature is a quick-change system of components that will convert the camera from 525-line (U.S. standard) to 405 (British) or 625 (European) operation. Floor cables (emerging from a junction on the camera's left side, out of the way of the cameraman) are about ½ smaller than those on the standard U.S. 3-incher. Cost: approximately \$17,000—about \$1,500 more than the usual U.S. models.

Storm news, direct from Hurricane Gracie's swath, was fed to the nation last week by WBTW & WBT Charlotte. TV weathercaster Alan Newcomb reported on area gale conditions via CBS-TV's *Doug Edwards & The News*, illustrated by on-spot film which was shot by news mgr. Nelson Benton's 6-man reporter-photographer team. Radio WBT was swamped with news requests, and it taped reports for more than 50 stations, including CBC's Halifax outlet. The team roved as far south of the N.C. beaches as Jacksonville, Fla., in one of the station's most exhaustive storm-coverage assignments. WBTW wrapped up its local coverage with a special 30-min. "Hurricane Final."

KWRB-TV (Ch. 10) Riverton, Wyo. may also identify itself with Lander in addition to Thermopolis & Worland. FCC corrected its release of Sept. 23 (Vol. 15:39) which had stated that the station's request to identify itself with Lander had been denied.

Assn. of Maximum Service Telecasters adds 5 members: WIIC (Ch. 11) Pittsburgh; WOAY-TV (Ch. 4) Oak Hill, W. Va.; WTVN-TV (Ch. 6) Columbus, O.; WBRC-TV (Ch. 6) Birmingham, Ala.; WTOL-TV (Ch. 11) Toledo.

Merger of ex-rep. Clinton D. McKinnon's KOAT-TV (Ch. 7) Albuquerque with KVOA-TV (Ch. 4) Tucson into Alvarado TV Co. (Vol. 15:34) was approved by FCC.

IRE DISCUSSES 2-COLOR TESTS: The present 3-color TV system remains unchallenged by Dr. Edwin Land's 2-color discoveries (Vol. 15:27, 32), according to William L. Hughes of Iowa State U. His conclusion, but-tressing those of other engineers, was based on experiments with both optical projections & TV equipment. Addressing the Fall Symposium of the IRE's Professional Group on Broadcasting in Washington last week, he offered this summary:

"In all probability, full color projection & color TV are and will remain 3-dimensional mediums. This seems likely not only from these experiments but also from fundamental information theory ideas which have nothing to do with the eye & the mind. For example, certain yellow & white colors could be made to stimulate red & green records in exactly similar fashion. Thus, it would be impossible to tell the difference between these particular yellows & whites. Further, a saturated, fairly narrow-band blue would not stimulate either a green or red record. Thus, it would be impossible to tell the difference between blue & black. This doesn't mean at all that the 2-dimension system couldn't produce a blue, black or yellow. It simply is not apt to be too faithful to the original scene. Other irregularities can be postulated in a similar fashion."

At the same IRE session, 6 engineers summarized the work of the TV Allocations Study Organization, as reported in TASO's published report:

"Vhf-Uhf Measurement Technique," Ogden Presholdt, CBS; "Effects of Trees & Forests in Vicinity of Uhf Antennas," Howard Head, A. D. Ring & Associates; "Correlation of Picture Quality With Signal Strength," Holmes Taylor, Burroughs Corp.; "Tropospheric Fields," Philip Rice, Bureau of Standards; "TV Signal to Interference Ratios," Gordon Fredendahl, RCA; "TV Receiver Characteristics," George Fyler, Zenith.

The speakers adhered generally to the findings of their respective panels, but Fyler went on to offer his personal views on transmitter power. In terms of bandwidth & transmission standards, he said, AM transmissions are 20,000 times as powerful as those of TV. Therefore, he said, TV's power ceiling—both video & audio—should be raised greatly, resulting in a much improved service & cheaper receivers. He also argued against any reduction of TV audio power, which has been urged by some, stating that many people watch inferior video because the audio is satisfactory.

Advertising executives have been selected as luncheon speakers for 3 of NAB's 8 two-day fall conferences, with the other 5 speakers to be announced later. The 3: Thomas B. Adams, pres., Campbell-Ewald Co., for Chicago Oct. 20; Arno H. Johnson, v.p. & senior economist, J. Walter Thompson Co., for Boston Oct. 23; William W. Neal, pres., Liller, Neal, Battle & Lindsey, for Atlanta Oct. 30. Louis Hausman, new dir. of TIO, will appear at the TV management session scheduled for the first afternoon of each conference. The first conference will be at the Mayflower, Washington, Oct. 15-16. Theme: "NAB is You."

Need for 3-channel rivalry in major TV markets was demonstrated again last week, according to ABC-TV pres. Oliver Treyz, who cited his network's failure to clear time in 2-channel Syracuse for ABC telecasts of the Sept. 28-29 National League playoff. Treyz pointedly wired Syracuse's newspapers & radio stations that their city was the "only major city in the U.S." offered the ABC-TV telecasts which had refused station clearance.

Litigation to block sale of WJAR-TV & WJAR Providence with their parent Outlet Co. (Vol. 14:49 et seq.) took a surprise turn last week when the original sellers indicated they want to back out. The 11-month-old agreement to sell controlling interest in the Outlet dept. store and its TV-radio stations to 91065 Corp. (N.Y. realtor William Zeckendorf & Denver telecaster John C. Mullins) has been contested by station gen. mgr. J.S. (Dody) Sinclair, grandson of Outlet founder Col. Joseph Samuels. As chief beneficiary under the Outlet stock trust, Sinclair had held up the sale by obtaining a temporary injunction to prevent the trustees for the heirs of Samuels from selling their stock to 91065. The prospective purchasers are appealing the decision in R.I. Superior Court. In this week's development, counsel for Industrial National Bank (one of the trustees) told the court that his client & other trustees will insist on their legal right to break off the agreement. He said trustees & their attorneys feel that they can't successfully fight Sinclair's suit for a permanent injunction.

Metropolitan Bestg. Corp. is negotiating to purchase radio WIP Philadelphia "among other station properties," according to company source. Metropolitan, headed by John W. Kluge, owns WNEW-TV & WNEW N.Y., WTTG Washington, radio WHK Cleveland. Reported selling price is around \$4 million for the Philadelphia AM headed by Benedict Gimbel. Another report last week—that 20th Century-Fox will purchase KMBC-TV Kansas City—was flatly denied by secy. M. D. Blackwell of Cook Paint & Varnish Co. which owns KMBC-TV. The station is not for sale, he said.

N.D. Bcstrs. Assn. at its recent convention elected as pres. John Boler (also pres., N.D. Bestg. Co.—KBMB-TV Bismarck, KXMC-TV Minot, KXJB-TV Valley City-Fargo, and radio). New v.p. is Dick Johnson, mgr. KBOM Bismarck-Mandan. Secy.-treas. is Leslie Maupin, KLPB Minot. It was agreed to get behind the organization's youth program, and its \$300 scholarship was named the Charles G. Burke Scholarship in honor of the organization's past president and KFGO executive who died 2 years ago. Fargo was selected for the next convention.

Unique double exposure of a weekly 30-min. film series on a single station begins on WPIX N.Y. Oct. 8 when Ziv-produced *This Man Dawson* debuts at 9 p.m. Thurs. episodes will be rerun on subsequent Mons. at 9:30 p.m. The station estimates the total weekly audience for both showings will be 1.5 million. Piel Bros. is underwriting both exposures. Also reported last week by WPIX was an increase in program sponsorship as opposed to announcement business for 1959-60. The station attributes the upsurge to its "impact" plan, whereby 6 advertisers participate in rotating co-sponsorships of 2 programs in the Wed. film block.

NBC's tinted monochrome TV process, Electronic Color Effects (Vol 15:35) has been shelved, at least for the time being. Public reaction to initial tests on WRCV-TV Philadelphia, "while not particularly conclusive, were not particularly favorable," NBC planning & research v.p. Hugh M. Beville told us, adding: "No more tests are now planned."

Natl. Assn. of FM Bcstrs. officers elected at their convention in Chicago: C. Fredric Rabell, KITT San Diego, pres.; T. Mitchell Hastings Jr., Concert Network Inc., Boston, exec. v.p.; Frank Knorr Jr. WPKM Tampa, secy.; William Tomberlin, KMLA Los Angeles, treas.

Top TV tid-bits are potato chips, concludes the Nutrition Research Council after a 50-state survey of viewing chewing. Runners-up: candy, fruit, cookies, nuts, cereals.

RCA equipment shipments last week: Pylon antenna to upcoming KICU (Ch. 17) Bakersfield, Cal.; color studio camera to WGN-TV (Ch. 9) Chicago.

Networks

CBS-TV Discount Change: The regular CBS-TV annual network discount—which "has not been so much a discount for year-round broadcasting as an incentive for continuing without lapse throughout the summer," in the words of sales admin. v.p. William B. Hylan—is due for a change, the network advised its clients late last week.

Principal features of the revised CBS-TV discount structure which will go into effect as of April 1, 1960:

1. Continuity discounts in the 13-wk. summer season are being expanded "to encourage winter clients to stay on the air and to create an incentive for added summertime use of our facilities," a letter from Hylan to agencies stated. A 13-wk. show in the "winter season" period (the 39 weeks other than the "summer season") aired at 8 to 8:30 p.m., for instance, will earn no time-period discount. But in the summer months the same show in the same time slot is eligible for a 45% discount.

2. To boost the attractiveness of evening time periods outside of the prime hours, CBS-TV will increase the maximum allowable discount on shows telecast between 6 & 8:30 p.m. and decrease discounts for shows between 9 & 11 p.m., while leaving unchanged the discount structure on shows in the 8:30-9 p.m. period. "In this way," said Hylan, "the values offered by all evening time periods will be brought closer to one another."

3. For the first time in 5 years CBS-TV is also increasing the dollar volume requirement for the network's overall discount. The increase works out to about 30%, the weekly discount base of \$100,000 being increased to a minimum of \$130,000. Defending the move, Hylan stated: "Network time charges have increased by 43% and the national TV audience has increased by 47%. The change in the dollar requirement is consistent with these other measures."

AB-PT's phono-record subsidiary, Am-Par Records, this week announced the outright purchase of the Grand Award Record Corp. and its affiliate Waldorf Music Hall Inc. and Award Publishing Corp. The Grand Award firm has been known as one of the largest suppliers of records to rack-jobbing operators (non-record store) & chain stores. Grand Award formerly was headed by Malcolm E. Smith Jr., who for a short time last spring led a group which owned MBS (Vol. 15:11, 13). Orchestra leader Enoch Light, who has been an official of the record firm, will continue as an executive staff member of Grand Award.

NETWORK SALES ACTIVITY

ABC-TV

National League Playoff, Sept. 28-29.

Liggett & Myers (Dancer-Fitzgerald-Sample) and *Schick-Revlon* (Benton & Bowles)

Operation Daybreak, participations throughout daytime schedule.

McGraw-Edison for Toastmaster appliances (Erwin Wasey, Ruthrauff & Ryan)

NBC-TV

Meet Mr. Lincoln rebroadcast Feb. 11, 1960, 9-9:30 p.m., second consecutive year for sponsor. *Lincoln National Life Insurance Co.* (Maxon)

TV Guide Awards, March 25, 1960, 8:30-9:30 p.m. *Chrysler* (Young & Rubicam)

Television Digest

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JAMES T. QUIRK, Business Manager MERRILL PANITT, *Editorial Director*
JAMES B. DELEHANTY, Asst. Business Mgr. HAROLD B. CLEMENKO, *Managing Editor*
DAVID LACHENBRUCH, *Associate Editor*
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU
Wyott Building
Washington 5, D.C.
Sterling 3-1755
ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU
625 Madison Ave.
New York 22, N.Y.
Plaza 2-0195
CHARLES SINCLAIR

WEST COAST BUREAU
6362 Hollywood Blvd.
Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

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Personals: Theodore Zaer promoted from NBC radio business-affairs dir. to NBC TeleSales mgr. . . . Wilbur M. Fromm named new-business & promotion dept. mgr., NBC Spot Sales . . . Alex Kennedy promoted from program promotion dir. to audience promotion dir., CBS-TV, N.Y.; Linley Stafford promoted from adv. & sales promotion copywriter to creative services mgr., network on-air prom.

Davidson M. Vorhees appointed CBS radio v.p. for operations, succeeding Horace R. Guillotte, named West Coast personnel & labor relations dir. . . . Louis Dorfsman, CBS radio art, adv. & promotion dir., named v.p. for adv. promotion & press information, succeeding Louis Hausman . . . Geraldine McKenna, ex-Concert Network, named WBC continuity acceptance dir., succeeding Gordon Hawkins who is retiring after 25 yrs. . . . Harold S. Cranton, ex-ABC radio, appointed adv. & promotion dir., MBS . . . Albert Evangelista, from FCC's Safety & Special Radio Services Bureau, appointed engineering asst. to Chairman Doerfer.

Arnold Kaufman, senior member of the RKO Tele-radio exec. staff, appointed NTA v.p. . . . Edward J. Stegmann, ex-SEC atty., joins Welch, Mott & Morgan law firm, Washington . . . Margaret Mary Kearney, education dir., WCAU-TV (Ch. 10) Philadelphia, named to the Governor's Coordination Committee on the 1960 White House Conference on Children & Youth.

Arthur W. Bagge, Peters, Griffin, Woodward Midwest radio sales mgr. elected a v.p. . . . George S. Driscoll, ex-WHAM-TV Rochester, appointed engineering mgr., WROC-TV (Ch. 5) Rochester, N.Y. . . . Dr. Charles Grady named station mgr., educational KOKH-TV & KETA Oklahoma City, succeeding Dr. Robert Shultz . . . Don Brown appointed ETV dir., KCOP Los Angeles . . . Alex Tovar, KTLA (Los Angeles) chief accountant promoted to controller . . . Paul E. Welcome, ex-WTAE Pittsburgh, appointed chief engineer, WIS-TV & WIS Columbia, S. C., succeeding Barnett Goldberg, WIS-TV and John Watts, radio WIS, who have joined Western Electric . . . Warren L. Braun, WSVA-TV Harrisonburg, Va. engineering dir., named chairman of NAB's 1959-60 broadcast engineering conference committee; C. L. (Chet) Thomas, radio KXOK St. Louis gen. mgr., named AM radio committee chairman.

Matthew Warren, news dir. of WTTG-TV (Ch. 5) Washington, landed a 6½-ft. sailfish recently while attending the 1960 Chrysler preview in Miami.

Brig. Gen. Earle Cook, U.S. Army deputy chief signal officer, will address the RTES Newsmaker luncheon Oct. 7 on "Electronics & Broadcasting in the Space Age."

FCC Comr. Rosel H. Hyde was due to leave Oct. 5 for Geneva, to be vice chmn. of the U.S. delegation to the plenipotentiary conference of the International Telecommunications Union. State Dept's Francis Colt deWolf is chmn. Hyde's date of return is uncertain, probably in late Nov. or early Dec. Comr. T. A. M. Craven, now in Geneva heading another U.S. delegation, isn't due back until about the end of the year.

Khrushchev aided Ed Sullivan in surmounting Russian red tape and obtaining TV permits to produce the taped-on-location (in Moscow) 90-min. variety special that was aired Sept. 27 on CBS-TV. When Sullivan was refused permission to tape a sequence in Moscow's Red Square, he immediately sent a note to Khrushchev, then vacationing on the Black Sea. In less than a day, the permission was granted. Awed bureaucrats then okayed "almost anything else we wanted," reported Sullivan.

Tepee Tots—like paleface papooses—are spending too much time watching TV, according to an Indian mother. Ruby Jane Cloud, attending the National Recreation Congress in Chicago last week, said that the potential braves & squaws are watching so much TV that they have forgotten how to act like a bunch of Indians. So she is learning beadwork to pass the skill on to the papooses of her Southern Ute tribe in Ignacio, Colo., in hopes that they will forego the White Man's ways and retain Indian culture.

SMPTE annual student award goes this week to John Chestnut Stormont (U. of Miami senior in the motion picture dept.) at the society's semi-annual convention in N.Y., for his paper: *Student-built 16mm Continuous Positive Film Processor as Used in University Film Production.*

Meeting next week: National Electronics Conference 15th annual meeting (Oct. 12-15), Hotel Sherman, Chicago. Mass. Bcstrs. Assn. (13), University Club, Boston. Mid-Atlantic & Northeast regional MBS affiliates (15), Phila.

Three new MBS affiliates were announced last week by pres. Robert F. Hurleigh: KIOA Des Moines, KRCT Pasadena, Tex. and WJLL Niagara Falls.

Obituary

John H. Kliegl, 89, pres. of Kliegl Bros. Universal Electric Stage Lighting Co., died Sept. 30 in Doctors Hospital, N.Y. In 1911 the Kliegl company developed the klieg light for indoor movie taking, later replaced with incandescent units for stage & TV. Mr. Kliegl is survived by his wife, 2 sons, 2 daughters, 11 grandchildren & 6 great-grandchildren.

Sid Williams Richardson, 68, Tex. oil producer and one of the world's wealthiest men, owner of 62% of Texas State Network (KFJZ-TV & KFJZ Fort Worth, KFDA-TV & KFDA Amarillo and radio KRIO McAllen, Tex.), died in his sleep Sept. 30 at his mansion on St. Joseph's Island in the Gulf of Mexico. He was a bachelor.

Harold Huber, 49, veteran stage, movie, TV & radio character actor, died Sept. 29 while undergoing surgery in Jewish Memorial Hospital. Among his many roles, Mr. Huber starred in the TV series, *I Cover Times Square*. He is survived by his widow and a daughter.

Raymond Everett Nelson, 52, mgr. of Gregory & House & Jansen's N.Y. office, died Sept. 25. He was formerly TvB national spot sales dir., an NTA v.p., and early in his career, NBC eastern production mgr. He is survived by his wife, a daughter, his father, a brother & 2 sisters.

Bernard C. Barth, 40, v.p. of Michiana Telecasting Corp. and gen. mgr., WNDU-TV & WNDU South Bend, died Sept. 22 of leukemia.

Advertising

TvB PROFILES AUDIENCES: Wraps were lifted from the season's heftiest report on TV-audience composition last week by TvB pres. Norman E. Cash. Titled "How to Reach People" and termed "one of the most extensive in the bureau's history," the study sums up a year's tabulations by A. C. Nielsen (national audience sizes) and Pulse Inc. (audience composition & characteristics.)

TvB lost no time in pointing up the study's meaning to advertisers, stating in the introduction that the report's completely national projection "invites your comparison of TV's audience with that of any other medium."

Some highlights, in addition to a 53-page section on network & local audience compositions:

Of the 176 million U.S. citizens, over 154 million live in TV homes. And, in the 3,071 counties in the country, average TV coverage is 86% and none has under 40%.

TV reaches 128,579,000 people in an average day in the U.S., or better than 8 out of 10 persons. Almost every child (99.9%) manages to see TV during the day. TV reaches 69.9% of all men, 78.4% of women, and 88.6% of all teenagers.

Adult viewers lead non-adults in 29 of the 36 half-hrs. between 6 a.m. & midnight. In the peak 8:30-9 p.m. period, there are over 50 million adults viewing TV, as against some 23 million non-adults.

Each segment of the viewing day has its own audience, sometimes exclusively. A total of 32.2% of viewers watch only nighttime TV, and 7.8% watch only daytime TV.

TV audience composition has to be projected against the total population to get a true picture of just what you're reaching with a TV show, the study reported. For example, 12.2% of the audience of the average hour-long Western are teenagers, but they represent 21% of all the teen-age people in the U.S.

Men like nighttime TV. Of all male viewers, 65.5% watch TV for an average of 11.8 quarter-hrs. in the average evening. Male viewing isn't confined to evening hours, however. During the average weekday, 28.0% of all men watch TV for an average of 7.1 quarter hours.

Watchdog TV monitoring by Broadcast Advertisers Reports will be expanded to daytime coverage in 50 additional markets this month, bringing to 75 the number of markets in which BAR provides sign-on-to-sign-off checkups of how commercials are being handled. The move is designed to give subscribing agencies & clients "their first factual data on daytime spot-TV activity in medium-size markets" said the research firm.

Two TV puppets are credited with a 300% sales increase by the John H. Wilkins Coffee Co., Washington. The puppets, "Willkins & Wontkins," have been patented by their creators, James M. Henson & wife Jane A. Nebel, who also produce the puppet show *Sam & Friends* on WRC-TV Washington. The puppets appear in various cities in 7-second spots, one of which was recently awarded a certificate of merit by the Art Directors Club of N.Y. M. Belmont Ver Standig is the agency.

TV will soon sell itself on TV to advertisers & agencies in N.Y. WPIX has offered TvB a late-morning, 30-min. time period (date & time not set) to be used by the promotional organization as a showcase for a taped-in-advance presentation by TvB officials on TV's media values. TvB will then make the tapes available for telecasting in other cities.

Small Advertisers Squeezed? The House Small Business Committee's advertising subcommittee, under Rep. Brown (D-Mo.), is looking into complaints by small advertisers & agencies that they are being discriminated against in their competition for prime TV time.

Chmn. Patman (D-Tex.) said that small businessmen & their agencies are unable to buy time, particularly prime time, even if they are willing to pay top prices, because TV stations "are making big business firms their preference customers." He said that some small advertisers complained to the subcommittee of cases in which TV advertising had been obtained by "under-the-counter" maneuvers which squeezed out small businessmen.

Patman concluded that the subcommittee will undertake more detailed research & investigation, contacting advertisers, agencies, stations and "TV men."

Ted Bates agency, contrary to a published trade report, is not at war with the NAB's Code Review Board because of its hard-sell, personal-product commercials, an official agency statement indicated last week. Bates is "in complete agreement with the Board's objectives," said the statement, adding that any differences that may arise are "not insurmountable in view of the prime consideration—to insure proper & yet effective use of this medium." The NAB's new code interpretations (Vol. 15:38) have been widely circulated to networks, agencies & advertisers in recent weeks, and will be the guide to virtually all TV commercial policy this season.

Prime objective of Du Pont's TV *Show of the Month* is "to create a better public understanding & appreciation of the role of Du Pont as a large business in our society," analyzes the firm's corporate TV ad head Charles E. Crowley. Ever concerned with public opinion & attitude regarding its size & diversified activities, the company has successfully improved its image. Between 1937 & 1956, "unfavorable" opinions dwindled from 15% to 3%, with "favorables" climbing from 48% to 79%. During the period, number of "no opinions" dropped from 37% to 18%.

Smoking-materials advertisers increased their spot-TV spending by 31% during the first 7 months of 1959, as compared with Jan.-July 1958, TvB reports. Cigarette advertisers, now the third largest spot-TV spender (behind food & drug) tallied \$44.1 million in spot TV during Jan.-July 1959. Leading the pack: R. J. Reynolds (\$9.4 million); P. Lorillard (\$8.0 million); Liggett & Myers (\$7.2 million); American (\$6.9 million) and Brown & Williamson (\$4.5 million).

False claims in TV-radio-newspaper advertising of "Slender-Way" bread are alleged in an FTC complaint against Safeway Stores Inc. FTC said that contrary to plugs for the bread by the supermarket chain, it will "neither cause weight reduction nor prevent its gain."

People: George Beyer Jr. named Lennen & Newell senior v.p. . . . Marvin Richfield, ex-Warwick & Legler, named Erwin Wasey, Ruthrauff & Ryan media dir., succeeding Anthony S. Gee, resigned . . . Harold Miller, Benton & Bowles associate media dir., elected v.p.

George Goodlett and William H. Bambrick named Foote, Cone & Belding v.p.'s . . . Don Weill, ex-Benton & Bowles v.p., named D'Arcy v.p. . . . Donald J. Wilkins, ex-Erwin Wasey, Ruthrauff & Ryan, appointed Advertising Federation of America v.p. for Washington AFA office; J. Davis Danforth, BBDO exec. v.p., named chairman of the finance committee.

Film & Tape

9 of 10 Pilots Failed: Last spring Hollywood telefilm producers turned out just over 200 pilots, of which 20 were sold. These 10-to-1 odds against the producer again pinpoint the problem perennially confronting Hollywood. But hope springs eternal, and the merchants of film are again busily at work on pilot projects for year's end and 1960.

The approximately 200 aspiring pilots we listed for you in March (Vol. 15:13) added up to a loss of approximately \$7.5 million. Actual production costs were much more than that, but companies such as Revue, Four Star and Screen Gems are now using the only device thus far discovered to prevent total loss of the cost of a pilot: use it in an anthology series. Despite this, total loss on pilots for the past 3 years probably is about \$15 million.

Best bet, of course, is to sell a series without a pilot (on the prestige of a producer or company—Vol. 15:19), as was done in 10 instances this season: *Bourbon Street Beat*, *Hawaiian Eye*, *Adventures in Paradise*, *Bronco*, *The Alaskans*, *The Untouchables*, the June Allyson series, Robert Taylor's *Captain of Detectives*, *Riverboat*, *Wichita Town*.

It's impossible to estimate how many of the 200 pilots which have not yet sold can be salvaged. A company will rarely admit that a pilot is hopelessly through. But, realistically, after it fails to sell during the season, its future chances are dim. For, as the months roll by and new pilots are offered, Madison Ave. tends to think of the passed-up pilots as old-hat and as product rejected by everyone else—which indeed they usually are. This may be unfair to those pilots which didn't sell because of insufficient time, but it's the situation. Best guess is that about half the pilots produced last spring will be offered again.

MGM-NBC Relations: NBC, which last season had close production ties with MGM-TV, is taking a conservative attitude toward the Metro TV subsidiary. It listened last week to MGM-TV executives tell of their new plans, found them "interesting"—but left noncommittally.

The network's first deal with MGM-TV 2 years ago, was the purchase of *Northwest Passage*, an expensive half-hr. series. During that season NBC had trouble finding sponsors, lost money on the deal. Last spring, a network executive told us, NBC put up \$100,000 for a 60-min. MGM-TV pilot, *Jeopardy*, but refused to show it to possible sponsors, and, instead, shelved it.

According to our NBC source, while the net found MGM-TV's new ideas interesting, they are all still in the development stage, with scripts not yet written in some instances. "We will go into another deal only on the basis of a property which has a competent producer," he said. MGM-TV last spring turned out 7 pilots, sold none.

Hal Roach Jr., ex-pres. of F. L. Jacobs Co. and its once-related MBS and Hal Roach Studios, would be forbidden to make further sales of Guild Films common stock under a U. S. District Court order sought by SEC. Judge Sidney Sugarman in N.Y. has been asked by SEC to enjoin Roach and 2 Cal. banks from Guild Films deals in stock which has not been registered with the agency. SEC's complaint said Roach received 50,000 Guild Films shares in Jan. in connection with an agreement to sell Hal Roach film properties to Guild Films, then posted the securities as collateral for a loan from the banks. Subsequently the loan was defaulted and efforts were made by the banks to induce a N.Y. brokerage firm to sell the shares without filing a registration statement, according to SEC.

Tape Installations Climb: Nearly 150 TV stations are now equipped with video-tape recorders, with Ampex and RCA both reporting new shipments. RCA's latest TV tape recorder deliveries were 2 last week to KBTW Denver, one to WTRF-TV Wheeling, W.Va., and a 2nd recorder to WBTV Charlotte, following by one week installation of 2 of its machines at WBAL-TV Baltimore, where regular programming use was made of a recorder just 1¼ hours after the delivery truck arrived.

Ampex reports it has shipped 25 Videotape recorders since Sept. 15, bringing the total of Ampex-equipped stations to 142, of which 41 have 2 or more recorders. Latest Ampex shipments went to KGO-TV San Francisco, KOVR Stockton, KOA-TV & educational KRMA-TV Denver, KGMB-TV Honolulu, WOI-TV Ames, Ia., KRNT-TV & WHO-TV Des Moines, WDSU-TV & educational WYES-TV New Orleans, WWLP Springfield, Mass., KMOX-TV & KTVI St. Louis, WSYR-TV Syracuse, WFMY-TV Greensboro, WFAA-TV Dallas, educational WUNC-TV Chapel Hill, N.C., WTTG Washington, educational KUED Salt Lake City, educational WKNO-TV Memphis, educational WCET Cincinnati, educational KETA Oklahoma City, educational KVIE Sacramento, educational WEDU Tampa, educational KUON-TV Lincoln, educ. WETV Atlanta.

Other recent Ampex Videotape shipments were made to Affiliated Film Productions, Los Angeles; Video Recording Tape Center, Hollywood; TV Wales & West, Cardiff, Wales; Max Cooper Productions, Chicago; Mobile Video Tapes Inc., Los Angeles; RAI, Rome, Italy; West German Radio, Cologne; Hokkaido Bestg. Co., Sapporo, Japan; Videotape Productions of N.Y.; VTR Mobile Productions, Los Angeles.

L.A.'s Tape-Commercial Trouble: The progress of taped commercials in the Los Angeles area is sluggish, due mainly to a jurisdictional dispute between AFTRA & SAG. Secondary reason is Madison Ave.'s preference for keeping this work in N.Y., where it can be conveniently supervised.

There are 2 independent tape-commercial companies in Los Angeles, but neither has a contract with AFTRA as a producer, each renting its facilities as needed. Mobile Video Tape is one. The other is National Video Tape, which has an exclusive deal to lease KCOP's facilities. Independent stations KTTV, KTLA and KHJ-TV also tape commercials for clients.

Harvey Palash, asst. to AFTRA's exec. sec. on the Coast, blamed the scarcity of tape-commercial companies there on the jurisdictional fight, and re-stated the AFTRA position—to merge with SAG (Vol. 15:24). A study of such a merger is now under way. Mobile Video Tape has been approached by SAG, but was turned down on the basis that MTV, renting its facilities, is not a producer.

Note: Meanwhile, last week 2 more independent videotape companies were being organized. One, still unnamed, is owned by an investment group and operated for it by independent producer Jonathan Yost and Jack Miles. Joseph M. Arnoff, a Cleveland businessman, heads the investor group which will rent its facilities and provide financing for co-production ventures. The company goes into operation in mid-Nov. Yost will tape 65 half-hour *Atomic Submarine* episodes, but must first negotiate a union deal for his Majestic Television Productions.

Red Skelton is forming his independent production company, and has bought the first mobile color TV tape recording facilities for \$500,000. The studio on wheels will include 2 Ampex color recorders and 3 GE TV cameras. Skelton expects to begin operations within 4 months. He plans to tape shows for the foreign & domestic market.

NEW YORK ROUNDUP

Jack Paar & NBC, along with producer William Anderson & jockey Billy Pearson, have been cited in a \$750,000 defamation of character suit filed in N.Y. Supreme Court last week by Edward Hilgemeier Jr. Hilgemeier, once a standby contestant on the now-defunct CBS daytimer *Dotto*, charged that defamatory remarks were made by Paar & Pearson a year ago on NBC-TV citing him as "not worthy of trust, a liar, bearing false witness & making false charges." *Dotto* was cancelled on CBS following Hilgemeier's accusations that answers were being fed to contestants in advance.

Fremantle International continues to expand its sales to some unexpected TV corners of the globe, last week selling 67 hours of syndicated telefilms to Radiotelevisao Portuguesa, Lisbon, including 2 WPIX N.Y.-produced anti-Communist film specials, "The Russian Revolution" & "The Cold War." Hitherto, the Portuguese TV station has been on the air only 1-hr. daily with local live shows. In another area, Fremantle set a new linguistic mark by selling a film package to Compagnie Libanaise de Television (Beirut, Lebanon) with a choice of English, French & Arabic soundtracks to provide viewers with the same show in any of 3 locally-spoken languages.

Academy of TV Arts & Sciences forum titled "Do-it-Yourself Programming" is scheduled for Oct. 5. Academy members will be pitted against a panel of experts in an attempt to select the "ideal network schedule" based on all programs on TV since 1950. Time & place: 7:30 p.m. at CBS Studio 50. Seven subsequent TV forums are planned for this season.

Ziv's syndicated programs attract more food advertisers than any other category, said the firm's sales dept. last week, citing a breakdown which showed that food spenders accounted for 30% of all Ziv syndicated buys this year. Breweries were next with 25% and tobacco companies & banks followed with a combined 15%.

Roller Derby TV, operated by Leo A. Seltzer, has syndicated its hour-long tape/film *Roller Derby* series to 42 stations for fall viewing. Stations pay the equivalent of two 1-min. spots per episode and may sell 6 such participations during the hour. The Derby was seen on a similar-size hookup (40 stations) on ABC-TV last year. Stations subscribing also get rights for local staging of the Derby.

UA's domestic TV sales will amount to \$9 million in the 12-mo. period ending next March—or about 10% of United Artists' worldwide gross—predicted Bruce Eells, exec. v.p. of UA-TV last week. UA's 6-mo. score so far on telefilm series: *The Dennis O'Keefe Show* (Oldsmobile; CBS-TV), *The Troubleshooters* (Philip Morris; NBC-TV), *Tales of the Vikings* in 60 markets for "more than \$750,000" worth of syndication. Overall plans for UA-TV call for the launching of at least 3 series each year. On the shelf at the moment: the 60-min. *UA Playhouse* drama anthology, which UA refuses to cut to 30-min. despite network requests.

Robert Bersbach named New England territory sales head of MCA TV film syndication div. . . . Harold Lambert will join ITC as West Coast contact & liaison with networks & clients on ITC programs . . . Norman Long transferred to Los Angeles as West Coast div. mgr. for United Artists Associated . . . Stanley Florsheim named gen. sales mgr. of the *Jeff's Collie* div. of ITC.

HOLLYWOOD ROUNDUP

Cal. Studios pres. Philip N. Krasne named John Young, ex-Henry Jaffe Enterprises, comptroller, and Frank J. Wolf as Young's asst. . . . Hal Graham, CBS prog. executive in Hollywood, resigned, to join McCann-Erickson in N.Y. as dir. of TV account services. Crosby-Brown Productions appointed Edward C. Simmel, ex-Gross-Krasne v.p., sales mgr. . . . Hunt Stromberg Jr., who has been in charge of creative programming at CBS, named dir. of administrative programming . . . Metro signed ex-CBS story ed. William Nutt to job in its story dept. . . . George Stevens Productions appointed Archer Zamloch, ex-prod. supervisor *John Gunther's High Road* telefilm series, as exec. asst. to Stevens . . . Greene-Rouse Productions signed Fred Brady as producer-writer of a new series, *The Bodyguard*. . . . *Far East Adventure* is planned by Arthur Lubin, who will produce the series to be filmed in the Orient . . . Production is being finished on 20th-Fox syndicated (for NTA) series, *How to Marry a Millionaire* and *Man Without a Gun*. NTA has 90 days after the completion of production to decide whether it will renew options.

Writers Guild of America last week set Oct. 10 as the date to strike 50 independent movie producers & companies, following inability to agree on a new contract. The snags are inability to arrive at formulas for compensation for post-1948 movies sold to TV, and for pay-TV (Vol. 16:39).

Producer-writer Eva Wolas has been signed by Cal. Studios pres. Philip N. Krasne to develop a new half-hr. series, *Impulse*, based on a format created by Maria Palmer. The pilot will roll in mid-Nov. . . . Adam West, signed last year by Warner Bros. to star in its pilot, *Doc Holliday*, has left the studio. The pilot was not sold.

NTA will produce a series, *The Shield*, which was packaged by Phil Rapp, Jack Stewart and Richard Powell (not Four Star's Dick Powell). If the pilot doesn't sell, it will be offered for syndication . . . 20th-Fox has renewed contract of producer Herbert Bayard Swope Jr. (*5 Fingers*).

Ralph Levy and Al Simon are planning production of 4 pilots.

Writer Roland Kibbee is developing 2 new telefilm series for Revue Studios . . . A new telefilm company has been formed by Fess Parker & Walker Edmiston. Its first project is to be a puppet parody of Davy Crockett . . . Stanley Rubin has been named by CBS to produce *Hotel de Paree*, replacing Milton Krims.

So-called "runaway" TV films & movies (films produced abroad by U.S. producers) are attacked in a brochure sent recently to all U.S. AFL-CIO members by the Hollywood AFL Film Council. The council requests that union members not see such pictures, because they deprive American film workers of jobs. "As much as 35% to 50% of all feature films are now shot outside the country—and a remarkably large percentage of TV film as well. TV series depicting American life, sponsored by American companies, to sell American-made products to American consumers, are often filmed where the producer uses cut-rate foreign labor," declares the brochure.

Producer L. L. Cabello Jr. taped the pilot of *The Beat*, a series featuring beatnik entertainment, at KTTV last week . . . *Home Run Derby's* pilot by Lou Breslow, Jack Harvey and Ben Stoloff, goes into production in Oct.

Jerry Nathanson has been named v.p.-talent exec. for Frank Gruber's telefilm company.

Trade Report

OCTOBER 5, 1959

STEEL STRIKE HAS TV INDUSTRY UNEASY: Tone of apprehension is now discernible in conversations of home-electronics leaders discussing effects of steel strike on both production & sales. Gone now are those time cushions which made for optimism noted in our initial strike survey (Vol. 15:30) late in July. Many manufacturers we spoke with last week talk in terms of "worry" dates—ranging from one to three months—beyond which a continued strike will have them in trouble.

Saleswise, TV sets are moving well in strike-affected areas generally, and national picture is one of a banner year in the making. Single sour note was struck by big manufacturer who found in a dealer survey that TV sales have slowed in Pittsburgh, Detroit and other industrial centers. "This is time of year when sales normally should be building up fast in those areas," spokesman told us. "TV sales in non-affected areas are healthy & growing." Other manufacturers we surveyed feel no sales pinch in strike areas. However, all look ahead to dwindling purchasing power nationally if strike continues & mushrooms.

Strike has been fairly well contained within steel industry so far. However, prolonged inaction will begin to trigger reactions in other industries. Steel inventories, stockpiled in anticipation of strike, are starting to show bare spots in cupboard. General Motors and Chrysler, for example, already have started to curtail operations. Appliance industry, heavy user of steel, is being squeezed tight now. Survey for Commerce Dept. by Institute of Appliance Mfrs. disclosed that 11 of nation's major appliance manufacturers will have to close by Oct. 15 if strike continues; another 15 by month's end. One-third of industry has cut back production. Admiral has closed its Galesburg, Ill. appliance plant for 2 weeks—both for model changeovers & because of dwindling steel. GE reportedly has begun furloughing some 1,400 appliance workers. In addition to 500,000 steelworkers out on strike, another 200,000 employes in steel-dependent industries already had been idled by week's end.

Should strike end today, things would still get worse before they got better. It will take mills weeks to get production rolling in sufficient volume to fill empty pipelines. Then, too, it will take time to unscramble problems of production priorities, what with every major industry wanting its needs filled first.

All in all, then, here's TV's steel-strike picture: No hard pinch yet either in production supplies or set sales. However, several leaders did tell us that components makers are starting to feel pressure, because of their requirements of special steels. Although set makers have no immediate problems, they know time is biting deeply into steel stockpiles. Also, continuation of strike will continually weaken buying power nationally. As one TV major told us, from here on in, more people will think twice, then decide to wait before spending money on anything but the basics of food, clothing, shelter. Here are comments of various industry leaders we surveyed:

Admiral: Has sufficient steel on hand to meet TV-radio-stereo production requirements for balance of the year. "TV sales are down somewhat in strike areas," a spokesman told us, "but this situation is more than offset by increasing business nationally. Our TV sales picture is good & improving."

Emerson: "We're unlikely to feel any material shortages before the end of the year," said pres. Benjamin Abrams. As to the strike's economic effects on TV-radio-stereo sales, he told us: "We thought we had detected some spottiness in Pittsburgh & parts of Indiana, but that seems to have disappeared. Business is still good—much better than last year."

GE: Has an adequate supply of steel and anticipates no shortage for production needs. Sales of GE TV sets to dealers in strike-affected areas are up, a spokesman told us.

RCA: "We have enough steel on hand to carry us through Nov. 1, barring a sudden spurt in the already heavy demand for our products between now & then," RCA materials v.p. Vincent deP. Goubeau told us. "In any case, if the strike continues after Nov. 1, we'll start worrying."

Sylvania: Sufficient steel is "in the house" to meet production needs through mid-Dec. No material shortages are apparent at this time. Sylvania finds no noticeable drop-off in TV sales in strike areas. "Sales & orders are holding up fine," a spokesman said.

Westinghouse: Marketing mgr. C. J. Urban foresees no production problems unless strike continues another 60 days. Westinghouse has ample supplies and will feel no pinch until after Jan. 1, or later. There is no general sales change of any measurable degree in strike areas. "TV sales in Pittsburgh, as a matter of fact, are running well ahead of those for last year," Urban said. "Actually, sales there are far ahead of our expectations."

Zenith: Marketing exec. v.p. Leonard C. Truesdell tells us strike will begin to take toll in materials, particularly for metal table models, if not settled within about 60 days. As to sales, Truesdell views this as a "really fantastic year. We're sold out of everything we can make for the rest of the year. Every week breaks our all-time record by a tremendous figure." He notes that the steel strike's effects gradually are being felt, little by little, all over the country. "Despite this, the TV industry is in its healthiest position in a long time and things are shaping up for a terrific fall. Inventories are low and the public is buying."

STATUS OF ARMSTRONG FM-TV PATENT SUITS: The late Maj. Edwin H. Armstrong's bitter patent battle against most of the TV-radio industry—carried on since his death in 1954 by his widow, Esther M. Armstrong—has reached what may be important turning point in recent N.Y. Federal Court decision against Emerson Radio (Vol. 15:38).

First of FM cases to reach court decision, its result was sweeping victory for Armstrong estate. In effect, the finding was that anyone who makes standard FM or TV receivers or FM police & other communication radios, is using Armstrong FM sound-broadcasting patents and should have paid royalties.

Key phrase in sweeping decision—extremely important to other manufacturers now being sued by Armstrong estate—is this one: "The inventions here in suit are to be found in every FM broadcast receiver, in every television receiver, and they have wide applications to military, police and other mobile services." Emerson will appeal the decision to higher court.

Court last week started machinery for hearings to determine amount of royalties owed by Emerson in the alleged infringements—but hearings will be delayed pending appeal. Armstrong counsel estimates Emerson's royalty payments (if made) would run "very high into 6 figures."

Payments from other now-unlicensed manufacturers could run well into millions if Emerson decision were to be upheld & permitted to set precedent. Suits are still pending in various federal courts against Philco, Motorola, Admiral and Du Mont Labs.

The 3 basic patents involved have expired, the last in Sept. 1957, and infringements are claimed between Dec. 1948 & Sept. 1957. Royalty payments sought by Mrs. Armstrong are 2½% of "adjusted selling price" (less cabinet) of each FM receiver sold, 2½% of 25% of price of each TV receiver without FM broadcast band tuner, 2½% of 50% of price of each TV-FM combination set.

Mrs. Armstrong has made good out-of-court progress in gaining recognition of the FM patents. Since RCA's \$1-million-plus settlement in late 1954 (Vol. 11:1), these manufacturers have quietly settled with Armstrong estate: Sylvania, Raytheon, Hoffman, Packard-Bell, Wells-Gardner, Radio Craftsmen, Sentinel, Gilfillan Bros.

Manufacturers which took out Armstrong licenses after World War II include Zenith Westinghouse, Stromberg-Carlson, Pilot, Meissner, Hallicrafters, GE, Freed, Fisher, Collins.

For more about FM patent battle, see p. 17.

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 25 (38th week of 1959):

	Sept. 18-25	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	183,441	166,118	128,358	4,312,775	3,447,843
Total radio	411,956	421,143	305,230	10,461,276	7,387,657
auto radio	146,979	155,338	101,196	3,968,490	2,285,605

Budd Co. has purchased Lewyt Mfg. Co., Long Island City, for an undisclosed cash sum. Lewyt Mfg. produces data-processing systems, communications for electronic counter-measuring equipment and environmental controls for electronic instruments. It is not connected with the Lewyt Co., makers of vacuum cleaners. Lewyt Mfg. had sales of about \$12 million in the fiscal year ended June 30.

New \$2 million plant was dedicated Sept. 29 by Herold Radio & Electronics Corp., maker of Steelman phonos & Roland radios. The 160,000-sq.-ft. facility, which will give employment to more than 1,000 workers, is uniquely situated on the boundary line between N.Y., Yonkers & Mt. Vernon, N.Y., on a 4-acre plot east of the Bronx River Pkwy. between 241 & 244 Sts.

RUSSIAN ELECTRONICS ON UPBEAT: Two more American electronics manufacturers commented last week on developments in Russia, following the comprehensive report given recently at EIA's fall meeting by Raytheon v.p. Ray C. Ellis (Vol. 15:39). Dana W. Atchley Jr., of Microwave Associates, and Milton J. Shapp, of Jerrold Electronics, both came back from recent trips with the impression that the Soviet Union is moving fast.

Atchley spoke in N.Y. last week, at ceremonies during which Harold F. Wilder received the Western Union F. E. d'Humy award. He said he had seen, "in detail," microwave tubes which impressed him as being unique to Russia. One was a traveling wave tube in which the beam interacts with charged gas particles, and he said "it promises to provide amplification & generation of millimeter waves." Another was an efficient, broadband travelling wave tube, the "spiratron."

Shapp's conclusion: "They're behind us, but it never pays to sell a competitor short." He went through a Leningrad receiving-tube factory, in which 1,200 girls were assembling tubes by hand. However, he was told by the factory manager, engineers are pushing hard to automate production. He was informed, too, that the Russians are having trouble with glass-to-metal picture tubes, are not yet able to produce big, all-glass blanks. He saw a few TV sets with printed circuits, and he noticed some sets being repaired in shops.

The quality of pictures is excellent, Shapp said. Sets are selling very fast. "They're cheaper, relatively, than other products in Russia," he noted. "I saw people standing in line waiting to buy sets at a store in Leningrad." There are plans to link Moscow & Leningrad with TV microwaves, Shapp reported, and he was shown the equipment to be used.

As for master distribution systems, Jerrold's specialty, Shapp said the apartment houses in Moscow "look like N.Y.'s," and master systems are being built into most new apartments. The job is easier there, Shapp noted, because there are fewer stations and receivers are shielded all the way to the tuner, unlike U.S. sets.

"I saw no community antennas—nor any illegal boosters," Shapp stated. He was in Russia Aug. 17-Sept. 5, with a party of 34 members of the Young Presidents Organization and their families. His wife, 2 children and his father-in-law accompanied him.

Drew Pearson's column reported last week that Shapp was instrumental in persuading State Dept. officials to extend the U.S. visa of Russian scientist Evjeni Levin. The latter had appealed to Shapp, who hurriedly notified the State Dept. that Levin had opened doors previously tightly shut to the YPO group.

Unusual antenna, designed to replace rabbit ears, is Jerrold Electronics' latest consumer product. It's 6-in. long, slips on to the power cord. It sells for \$5.95, and Jerrold claims that it "far surpasses the performance of indoor antennas, and in many areas equals outdoor antennas." It's tuned by sliding it along the power cord. The principle of inductive coupling is employed, making the house wiring serve as an antenna. It will be promoted with full-page ads in *Life*, *Saturday Evening Post* and trade publications.

TV monitors are again being shipped by Conrac, less than 6 weeks after fire leveled its Glendora, Cal. plant (Vol. 15:33). They were produced in a rented plant in Azusa, Cal., while a new Glendora facility is being built to handle production of Conrac monitors & Fleetwood TV sets.

OCDM STUDYING IMPORT IMPACT: Office of Civil & Defense Mobilization moved promptly to look into EIA's complaint that imports of Japanese transistors and other semiconductor devices are undermining U.S. electronics industry's defense capacity (Vol. 15:38).

"The investigation will cover all semiconductor products," OCDM said, "including diodes, rectifiers and transistors imported as separate units, as combinations of units, or contained in finished products." Interested parties should notify OCDM of their interest within 30 days of Oct. 2, may file comments within 45 days of Oct. 2. Rebuttal to material filed must be submitted within 75 days. Twenty-five copies must be filed with Director, OCDM, Washington 25, D.C. They're open to public inspection unless confidential treatment is requested. The inquiry is expected to take at least 3 to 4 months.

Hoping to counteract the statements by some U.S. manufacturers in the inquiry, Japan Electronics Industries Assn. is sending its business manager, Yojo Ishizuka, to the U.S. He'll be accompanied by several Japanese electronics manufacturers—and their express purpose will be to combat any govt. moves to curtail imports.

Complicating factor in OCDM's inquiry undoubtedly will be the stock-ownership & affiliation connections between U.S. & Japanese electronics firms. In an article Sept. 26 detailing the battle between Matsushita and Toshiba for No. 1 ranking in Japan's appliance & electronics business, *Business Week* notes these ownership affiliations of Japanese electronics firms: GE owns 7.2% of Toshiba; Dutch Philips owns 30% of Matsushita; ITT subsidiary International Standard Electric owns 22% of Nippon Electric and 13 % of Sumitomo Electric; Westinghouse holds 4% of Mitsubishi Electric; "RCA reportedly is considering buying into Sanyo Electric."

Another U.S. TV-radio manufacturer, meanwhile, revealed that it is using Japanese transistors. Magnavox pres. Frank Freimann told N.Y. Society of Security Analysts last week that his company now uses Japanese transistors exclusively (see p. 18).

Japanese transistor production climbed from 560,000 in 1956 to 26,736,000 in 1958 and 14,967,000 in first-quarter 1959, while production of diodes increased almost tenfold from 1956 to 1958, EIA reports in a correction of its report of last month in connection with its petition to OCDM to investigate Japanese imports (Vol. 15:38). Original EIA statement had referred erroneously to the figures as total imports of Japanese transistors.

Ampex Japan Ltd. has been incorporated in Tokyo to provide engineering liaison with Ampex's Japanese customers and to service Videotape recording heads. It will operate as a wholly-owned subsidiary of Ampex International, the Switzerland-headquartered Ampex subsidiary which handles the parent firm's overseas activities.

Japanese radio-camera combo reportedly is being readied for export with a \$79.50 price tag by Kofuku Kogyo Co. Ltd. Named "Ramera," the unit embraces a 6-transistor radio & a 16-mm camera in a tight 6-x-3-x-1.5-in. package.

Newcomer to hi-fi field is Bulova Watch Co., long-time radio marketer, which has entered 4 stereo portable phonographs for sale through retail jewelers. The new instruments range in price from \$99.95 to \$169.95, incorporate 2 detachable speaker systems, each with 2 speakers; V-M 4-speed record changer; record intermix; automatic shutoff.

Canadian Admiral has introduced a line of 8 color sets with suggested list prices ranging from \$895 to \$1,115.

More about

ARMSTRONG PATENT BATTLE: Federal Judge Edmund L. Palmieri last week named N.Y. attorney Courtland Nicoll special master to determine damages owed by Emerson to the estate of the late Maj. Edwin H. Armstrong in connection with infringements of basic FM patents (see p. 15). Although special hearings are scheduled to begin in 30 days—to determine Emerson's production of FM & TV sets during the period of the alleged infringement—they are expected to be delayed by Emerson's appeal, which pres. Benjamin Abrams said would definitely be filed.

The 3 patents concerned covered: (1) Wideband FM broadcast system, considered to be the basic FM patent. (2) FM receiver with 2-path discrimination. (3) Pre-emphasis & de-emphasis—one basic technique used in TV & FM broadcasting & reception.

The court decision covers all types of wideband FM radio, interpreted to include any FM radio system in which the band is wider than a standard AM broadcast's.

The Armstrong suits involve receiving equipment only, no license being required to manufacture FM-TV broadcast equipment—the licenses to use technique having been taken out by the broadcasters themselves. In the litigation, Emerson is represented by Darby & Darby, Mrs. Armstrong by Brumbaugh, Free, Graves & Donohue.

EIA & Small Business: Stepped up activities in behalf of small electronics businesses are planned by EIA as a result of actions at the Sept. 22-24 fall membership conference in Atlantic City (Vol. 15:39). The trade group's board approved a proposal by the small business committee (J. B. Elliott, Tele-Dynamics, chairman) to hold an experimental conference this fall on the problems of small businesses in the electronics field, to which both members & non-members will be invited. Three regional "representatives" of small business will be named by the committee to "organize & correlate the views of small electronics manufacturers" and hold the conference. Other actions announced by EIA, in addition to those reported last week:

(1) The industrial electronics div., headed by Ben Adler, Adler Electronics, approved a proposal to hold an industrial electronics marketing symposium during the current fiscal year, and agreed to appoint an ad hoc committee to investigate the possibility of establishing industrial electronics standards & specifications.

(2) The board of directors scheduled EIA's 36th annual convention at Chicago's Pick-Congress Hotel next May 18-20 and next year's fall conference at the French Lick-Sheraton Hotel, French Lick, Ind., Sept. 13-16.

(3) Seven new companies were admitted to EIA membership: Blonder-Tongue Systems Inc., Jensen Industries Inc., Laurence A. King (special membership), Lewyt Mfg. Corp., National Semiconductor Corp., Norden div. of United Aircraft and Wiltec Electronics.

TV & Appliance Credit Corp., Los Angeles, has been charged in an FTC complaint with misrepresenting itself as a TV-movie casting agency in order to track down delinquent debtors of business firms. The FTC said the Los Angeles company, also operating as Hollywood Casting Service Inc., mailed "confidential casting" questionnaires to delinquent customers whose last known addresses were supplied by the business firms. "Our local talent scout will contact you," the delinquents were promised in accompanying letters, "as soon as completed card is returned to us."

Trade Personals: Henry Lehne named a Sylvania senior v.p., with over-all responsibility for Sylvania Electronic Systems . . . George C. Connor named Sylvania regional v.p. . . . Dr. William L. Whitson named Daystrom v.p. . . . Charles A. Nichols, ex-Hoffman Electronics consumer products div. engineering v.p., named engineering mgr. of Conrac Inc., Glendora, Cal.

Mort Gaffin, ex-NBC spot sales dir. of new business & promotion, named RCA mgr. of special advertising & sales promotion programs; S. N. Lev promoted from RCA air-born systems mgr. to gen. mgr. of Moorestown missile & surface radar div.; Arthur N. Curtiss promoted from mgr. to gen. mgr., West Coast missile & surface radar dept., recently raised to divisional status; R. C. Willman promoted from administration planning mgr. to administrative coordination & planning mgr., missile & surface radar; J. L. Frederick named mktg. dept. mgr., Moorestown; J. B. Cecil named engineering dept. chief engineer, Moorestown.

Wallace A. Pond named RCA semiconductor & materials div. field engineering coordinator . . . John F. Antoniazzi named CBS Labs planning dir. . . . Paul J. Bridwell named to new post of Westinghouse apparatus sales promotion mgr., succeeded as industrial products adv. mgr. by Charles W. Van Eman . . . Joseph Burns promoted from cathode-ray tube design mgr., Du Mont Labs., to mgr., cathode-ray tube engineering lab.

Robert T. DeVore, ex-PR dir., Instrument Society of America, named EIA PR dir. Appointment leaves unchanged the status of EIA office of information mgr. Herbert F. Hodge Jr. . . . John E. Hines Jr., ex-International Instruments Inc., named sales mgr., Community Engineering Corp., State College, Pa. (CATV equipment) . . . Gould Hunter, Eitel-McCullough exec. v.p., named a dir. . . . Richard R. Hough appointed operating v.p., Ohio Bell Telephone Co., succeeding Gordon N. Thayer, named AT&T mktg. v.p. . . . A. J. Buxton and M. O. Felix, Canadian Westinghouse Co. Ltd., will receive the National Electronics Conference Award Oct. 12 for their joint paper, "The Performance of FM Scatter Systems Using Frequency Compression."

Dr. Arthur L. Rayhawk, ex-Dept. of Defense supervisory management engineer, named Whirlpool professor of mktg., American U. School of Business Administration. The Whirlpool Corp. of St. Joseph, Mich. created the new professorship.

First "TV picture" from outer space, transmitted Aug. 14 from U.S. satellite Explorer IV, was released last week by National Aeronautics & Space Administration. The picture of the earth, taken from an altitude of 17,000 miles, showed a crescent-shaped portion of the north-central Pacific Ocean off Mexico, with sufficient detail to indicate cloud formations & sunlight reflected from the ocean. The "camera" is a 2-lb. scanning device developed by Space Technology Labs, Inglewood, Cal. An electronic counter computes & records the light impressions in the form of coded impulses. The slow-scan TV system uses a bandwidth of only 1.5 cycles (vs. 4 mc for a commercial TV picture) and 40 min. were required to transmit the single picture to a tracking station in Hawaii.

TV-film salute to electronics industry, produced under EIA supervision, was previewed at last week's EIA fall meeting in Atlantic City. Part of NAM's *Industry on Parade* series, "The Mighty Electron," will be shown by 270 TV stations in the U.S. and others abroad.

McGraw-Hill's monthly *Electrical Merchandising* becomes a weekly Dec. 7.

Finance

Magnavox Moving Up: Still climbing from its record 1959 sales year (Vol. 15:39), Magnavox posted a 75% increase in net income on a 50% rise in sales during its first fiscal quarter ended Sept. 30, compared with the year-ago quarter, pres. Frank Freimann told the N.Y. Society of Security Analysts last week. He estimated that the Fort Wayne firm produced profits of more than \$1.2 million (\$1.06 a share) on sales of more than \$25 million during the period, compared with \$722,000 (61¢) on \$17,082,000 sales in fiscal 1959's first quarter.

Freimann forecast a "sizable increase in TV sales," said a "strong replacement market is already materializing" and predicted that Magnavox sales in the fiscal year ending June 30, 1960 should reach \$120 million, compared with the record \$90.6 million in fiscal 1959. Tagging electronic components & military electronics business as having greatest potential growth, he estimated that the \$120-million sales would be divided \$70 million in consumer products, \$50 million in other electronics fields. In the last fiscal year, sales were divided equally among TV, radio-phonos and military-industrial activities. The firm's military backlog is running about \$40 million.

Expansion of production & sales of certain Magnavox products into international markets "within 30 days" through acquisition of a British firm also was disclosed by Freimann. However, no details of the pending acquisition were revealed.

Queried by the Analysts about Japan's growing electronics industry, Freimann candidly said: "Competition from Japanese-made transistors is so vicious that we have thrown in the hat. We're having all our transistors made in Japan."

Meanwhile, Magnavox's proxy statement for its Oct. 28 annual meeting discloses these salaries & other remuneration for the firm's top 3 officers: chmn. R. A. O'Connor, \$61,750 (plus \$26,250 annual pension benefits at retirement); pres. Frank Freimann, \$71,250 (plus \$22,788), v.p.-secy. & general counsel Gerard M. Ungaro \$38,000 (plus \$8,315).

Rek-O-Kut Co. Inc., Corona, N.Y. maker of hi-fi & stereo components and transcription turntables, plans public sale of 214,000 common stock shares, the proceeds to be used to retire loans and finance increased inventories & accounts receivable. A registration statement filed with SEC said that D. A. Lomasney & Co. is the principal underwriter of the issue, in which 142,666 shares will be offered for the company's account, 71,334 by selling stockholders.

Profits of RKO Teleradio, General Tire's TV-radio subsidiary, "continue to be excellent," pres. William O'Neil reported last week in announcing that the parent company's earnings for 9 months ended Aug. 31 were \$20,320,567 (\$3.79 a share), nearly 4 times the \$5,331,368 (91¢) in the same 1958 period. Net sales were \$483,644,239 vs. \$321,405,954 in the 1958 period.

Terms of merger of Indiana Steel Products Co., producer of magnets for TV-radio and other products, with General Ceramics Corp., manufacturer of ferrites, were disclosed last week in proxy notice to stockholders. Subject to Indiana Steel stockholder approval at a meeting Oct. 16 in Valparaiso, Ind., the merger will become effective Nov. 16. The new company will be called Indiana General Corp. Each share of General Ceramics stock will be exchanged for .353 of a share of Indiana Steel. General Ceramics has 509,000 shares outstanding, all privately held. Indiana Steel has 350,091. Indiana Steel chairman Paul R. Doelz will become chairman of the new firm; General Ceramics chairman Henry Arnhold will be chairman of the exec. committee; Indiana pres. Robert F. Smith will become pres. & chief exec. officer, with General pres. John H. Bouvmeester exec. v.p. Both firms are key companies in the electronics components field. Indiana's sales for the first half of this year totaled \$6,095,000, its earnings \$512,000. General reported income of \$283,000 on sales of \$3,585,000 in the same period.

Siegler Corp., in reporting record sales & earnings for the year ended June 30 (Vol. 15:38), notes in its annual report that its Olympic Radio & TV div. "has substantially increased its sales & earnings and maintained its position as the largest supplier of [TV-radio-phono] combination units." Olympic's consumer sales for the year, the report states, "were nearly 3 times the volume in fiscal 1955." Olympic now has 14 wholly-owned distribution branches & 199 independent distributors in the U.S. At its stockholders meeting Oct. 13 in Dover, Del., Siegler will ask for an increase in the authorized common shares from 2.5 to 5 million, but has no present plans for issuance of any stock. The proxy statement gives these figures on remuneration of key officers during the fiscal year: pres. John G. Brooks, \$90,000; exec. v.p. Robert L. Purcell and v.p. Morris Sobin, \$54,000 each.

Texas Instruments anticipates that its 1959 sales & earnings will be more than double those of 1958, pres. P. E. Haggerty told the Boston Security Analysts Society this week. Revising his earlier projections upwards, he said net earnings would be about \$14 million—possibly as high as \$15 million—on total sales between \$195 & \$200 million. This compares with last year's net earnings of \$6 million on sales of about \$92 million.

Roulette Records has filed a SEC registration statement (File 2-15515) for 330,000 common stock shares, 300,000 to be offered for public sale at \$3.50 per share by Chauncey, Walden, Harris & Freed. The remaining 30,000 would be sold to the underwriters by stockholders at 1¢ per share.

Pathe News Inc., N.Y. firm which leases films to TV stations, has filed SEC registration (File 2-15610) for 400,000 shares of common stock with warrants to purchase an additional 100,000 to be offered for public sale at \$3.75 per share. Underwriter is Chauncey, Walden, Harris & Freed.

Reports & comments available: Westinghouse, special report, W. E. Hutton & Co., 1530 Chestnut St., Philadelphia 2; also analysis by Carreau & Co., 63 Wall St., N.Y. 5 . . . GE and General Dynamics, articles in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . Motorola, American Broadcasting-Paramount Theatres, and the electronics industry, comments, Josephthal & Co., 120 Broadway, N.Y. 5 . . . Amphenol-Borg Electronics, folder, Fahnstock & Co., 65 Broadway, N.Y. 6 . . . Sperry Rand, review, Eisele & King, Libraire, Stout & Co., 50 Broadway, N.Y. 4 . . . General Dynamics, review, Penington, Colket & Co., 70 Pine St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	Q	\$0.10	Nov. 20	Oct. 30
Intrat. Rectifier	Stk.	5%	Oct. 26	Oct. 15
Lear Inc.	—	.10	Dec. 1	Nov. 12
Howard Sams (new)	Q	.15	Oct. 25	Oct. 10
Trav-Ler Radio	Stk.	5%	Nov. 2	Oct. 15
Universal Controls	—	.07½	Oct. 31	Oct. 15

Foreign

Cuban govt. has taken over CMBJ-TV (Ch. 12) Havana through an intervenor appointed by the Ministry for the Recovery of Stolen Property. The station, with studios in the Havana Hilton, went on the air in Aug. 1958 as an all-color station. It was headed by Gaspar Pumarejo, TV enterpriser who originated many of Cuba's quiz & contest programs on other stations. The Castro govt. reportedly discovered 40% of CMBJ-TV's stock in the safe deposit box of one of Batista's aides. Pumarejo has left the country.

Assis Chateaubriand, the fiery Brazilian newspaper publisher & TV-radio station pioneer, who rose to Senator in the Brazilian Parliament and Ambassador to Great Britain, has formed Stockholding Consortium of Associated Newspapers & Broadcasting Stations to replace his old holding company, Associated Newspapers. He is turning over 49% of its stock to his family & employes—apparently an inheritance tax move. He retains 51%, his interest passing to the new firm on his death. Chateaubriand, who is regarded as the most important publisher-broadcaster in Brazil, if not in all South America, has among his holdings 28 daily newspapers, 22 radio stations, a weekly magazine, the pioneer TV stations in Rio de Janeiro and Sao Paulo, and reputed interests in several other TVs, including CPs. He did not include his TV holdings in his new company.

Communist radio propaganda to the Near East, South Asia & Africa increased 15% during this year's first half, USIA reports. Broadcasts to this area have risen from 241 to 497 hours weekly in a little over 2 years, said the agency. Total Communist broadcasting to the free world increased 7% to 2,701 hours per week in the first 6 months of 1959. USIA's *Voice of America* is on the air 567 hours weekly in 37 languages.

Irish TV will be commercial & govt.-operated. Rejecting proposals that commercial contractors handle the service, Ireland will establish a single TV-radio Authority to govern both media. Minister for Posts & Telegraph James Hilliard pointed out recently that the TV service would have to support itself heavily from ad revenue. Details of the TV-radio legislation are being prepared for submission to Parliament. Under the proposal, Ireland will provide the original capital for the TV service, repayable over a term of years by the TV-radio Authority. The site for the service's first transmitter already has been acquired in the Dublin Mountains.

"How Granada Converted the President" is the title of an illustrated booklet by Granada TV Network, London & Manchester, explaining step by step, the process of converting to U.S. standard video tape the European & British TV pictures of President Eisenhower's recent visit. Granada did the job for CBS, using the "Granada standard converter" (Vol. 15:22).

With 70% of the French population within range of a TV station, the state-owned TV network is planning 30 new transmitters to complete coverage of France. The current French sets-in-use figure is 1,228,000, of which 500,000 are in the Paris area.

Intrecontinental Services Ltd. has been named U.S. rep. for TG-BOL-TV Guatamala City, Guatamala; Television Curacao, Willemstad, Curacao; Television Aruba, Oranjestad, Aruba, and Tele-Haiti, Port-au-Prince, Haiti. Meanwhile Intercontinental has opened a new office in Mexico City, with Fred Hofer named mgr.

Auxiliary Services

Bad Day for Pay TV: What began as just another pay-TV debate wound up in heated argument in Los Angeles last week, with an ad-agency executive besting the pay-TV proponent. What irked J. Neil Reagan, McCann-Erickson v.p., was the thesis expressed by International Telemeter v.p. Paul MacNamara that the public doesn't want commercials. It all took place at the monthly meeting of Los Angeles Adv. Women Inc. KTTV pres. Dick Moore was the third panelist.

Reagan and Moore both expressed the belief that commercials would show up on pay-TV if the system ever became a reality—and this annoyed MacNamara. When he then charged that people don't want commercials, Reagan demanded: "By what right do you set yourself up as a prophet with this statement? How do you know that's true?" MacNamara replied in general terms, and Reagan retorted, "We don't guess at these things in our business. We know how they feel about it through cold, hard research." MacNamara gave no answer.

After MacNamara's initial talk on the benefits of pay-TV, Reagan said "Paul promised pay-TV will be the saviour of everything but religion. Let him who is without the profit motive cast the first stone. Pay-TV is not going to save any thing; its only purpose is to make a buck. Some of the pay-TV people's statements show glaring untruths or a profound ignorance of our economic system." To a MacNamara crack at Madison Ave., Reagan replied "there are practically no ad agencies on Madison Ave. anymore. We've made so much money on free TV that we have been able to move to higher-rent districts."

When MacNamara claimed rising TV film production costs were forcing advertisers out of TV, Reagan pointed out that more money is being spent on TV advertising today than ever before. He recalled the claim of years ago that a half-hour show costing \$15,000 was too expensive. (Today, its average cost is \$40-50,000.)

MacNamara said an installation charge of \$5.50 would be charged in Telemeter's Toronto run beginning about the first of the year, and movies will cost the viewer about \$1.

First 84 miles of cable to be strung by Canadian Bell Telephone for International Telemeter's forthcoming closed-circuit pay-TV test in a Toronto suburb was completed last week. Telemeter hopes to complete the wiring of the 13,000-home Etobicoke area within 60 days, and has purchased a building formerly occupied by S. G. Kresge Co. for conversion to TV studios. Telemeter pres. Lou Novins told us that Paramount was "actively looking at possible Telemeter situations in the U.S.," but added that "no specific deal has been made" in the Rego Park section of Queens, as reported in the trade press. Under consideration for possible Telemeter test in N.Y., he said, are "at least 4 areas."

National Community TV Assn. Western regional conference in Spokane Oct. 20-22 will have, as a major speaker Oct. 21, FCC broadcast bureau chief Harold Cowgill. In Aug., Cowgill & FCC economist James Sheridan toured the west, inspecting many CATV & booster installations.

CATV Associates Inc., community-antenna-system brokers & consultants, is a new company established by TV-radio management consultants William T. Stubblefield and W. R. Twining, the former with offices at 1832 M St. N.W., Washington D.C., the latter at 535 Middlefield Rd., Palo Alto, Cal.

Educational Television

Benton Urges Pay ETV: "Our best single hope for lifting the level of mass communications—and of political literacy" is subscription TV run by non-commercial educational broadcasters, says ex-Sen. William Benton, now U.S.-Canadian publisher of *Encyclopedia Britannica*.

Addressing the National Democratic Women's Club in Washington, the onetime adman (Benton & Bowles) argued that under his pay-as-you-learn-from-TV plan, there'd be no threat to the co-existence of commercial networks & stations. "They should urge the FCC to grant subscription rights which would enable the educational stations to build substantial minority audiences," Benton said.

He drew this pay-ETV picture: "Buoyed by a major new source of revenue, education's TV stations, now struggling from week to week to stay alive, could improve their programming dramatically. It wouldn't cost a dollar of tax money, nor would it compete with present TV for any of its present programs or audience appeal.

"The tens of thousands who now trudge to evening courses in history, economics & politics—yes, and in the 'Great Books'—through rain & snow & dark of night could become hundreds of thousands & millions. The ever-accelerating pace of social change requires that the mass media must learn to serve as 'schools of the public.'"

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RESEARCHING ETV FOR CHILDREN: An ambitious \$200,000 research program to determine the most effective ETV programming for children will be initiated by the National ETV & Radio Center (NET) & 6 affiliated ETV stations Oct. 25.

The first phase of the study calls for the 6 stations to telecast 30-min. of special filmed programming 5 days weekly for 5 weeks. Impact of the initial programming will then be studied to develop a format for a broad, national study which will be conducted by NET's 43 member stations over a 2-month period starting sometime in Jan. Thereafter, NET will program a continuing study & production of ETV material for youngsters of all age groups.

Participating in the initial study are WTHS-TV Miami, WYES-TV New Orleans, WMVS-TV Milwaukee, KUED Salt Lake City, KRMA-TV Denver and KCTS Seattle Research dir. for the project is Dr. Otto Schlaak, Milwaukee-based research specialist retained by NET, who will be responsible for setting up a testing organization in the 6 cities, and collecting & analyzing the project data.

NET said the project has been under development since last Dec., and stems from the need for more intelligently programmed ETV for youngsters. Most children's programs available today incorporate appeals for adults. The NET project seeks answers to 4 basic questions: (1) Can ETV fill the gap in programming available for youngsters? (2) What age-ranges can be included in a given target audience? (3) What are the interests of a given audience? (4) What is the best way to prepare & present programs for children?

Working with child psychologists, NET's v.p. for programming Robert B. Hudson & program associates Robert Hall & Edwin Cohen determined 5 subjects of prime interest to youngsters in the 7-12 age group. Program material covering these interests is being produced & filmed mainly in 13½-min. & 8½-min. segments by a number of member stations. The segments are being packaged into daily 30-min. shows, complete with linkage for smooth continuity, with the various segments arranged in a variety of combinations. The 30-min. shows are being furnished to the 6 testing stations by NET as complete packages. However, in one test city, a given show on a given day may offer a string of segments ranging from animals, arts, and puppets. In another test city on the same day, the show will be presented with the segments in reverse order, or in other combinations.

The program material is being produced by ETV affiliates WKNO Memphis, WGBH-TV Boston, WHYY-TV Philadelphia, WTTW Chicago, WCET Cincinnati, WQED Pittsburgh, WILL-TV Champaign, Ill., WOSU-TV Columbus, O., and KQED, San Francisco.

Educational radio increased its scope last month as the radio network of the National Assn. of Educational Broadcasters expanded to 105 members. Exec. dir. Dr. Harry J. Skorn pointed out that the decade-old NAEB now distributes recorded educational programs at the rate of 1,000 tapes weekly; provides members with 10 hours of programming weekly, plus in-school service; offers commercial stations limited public-service programming. Programs range from music, lectures and discussion panels to interviews and documentaries. The self-supporting NAEB network, said, has approximately 50% of its programs produced by member stations. The balance of material is furnished from such sources as Georgetown U., Cooper Union Forum, foreign broadcasters, National ETV & Radio Center. He said NAEB is stepping up its international programming.

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

NETWORKS ORDERED OUT of affiliate rep field, FCC finalizing rule, giving CBS & NBC until Dec. 31, 1961 to drop non-o&o clients. Networks expected to fight (p. 1).

NBC & PHILCO SQUARE OFF in argument before FCC on WRCV- & WRCV Philadelphia. Philco urges major hearing to examine RCA-NBC's "character" qualifications (p. 5).

ADMINISTRATIVE, CONGRESSIONAL and Judicial agencies having supervisory powers over broadcasting—Background No. 5 (p. 6).

Congress

TV "QUIZLING" win headlines for Harris hearings on old show scandals. But House probers sidestep touchy issue of govt. program controls (pp. 2 & 4).

Advertising

PRINT VS. TV MEDIA STUDY is newest Magazine Advertising Bureau shot at TV as a competing medium (pp. 3 & 13).

Stations

ARMED FORCES STATIONS at plateau, lack of funds stymying expansion. Hope placed in low-cost do-it-yourself experiments on Midway Island (p. 3). Other stories (p. 8).

Foreign

GROWTH OF FOREIGN TV in explosive stage; sets-in-use increase 43%, stations on air 63% in year. Non-U.S. stations total 1,010, sets 33.7 million (pp. 4 & 9).

BARTELL FAMILY Radio Group invests in 3 Caribbean-area TV stations. Educational programming, French & Dutch film product will be used (p. 9).

Manufacturing & Distribution

SECOND 23-in. TUBE TYPE makes debut with 114-degree deflection and without bonded-on implosion plate. GE will use new Kimble-designed kinescope in sets (p. 16).

ELECTRONIC IMPORTS FROM JAPAN for first half of 1959 exceed those for full year of 1958, totaling more than \$22 million in factory value (p. 16).

COMPONENT HI-FI INDUSTRY business poorer than expected so far this year. Manufacturers veering toward adoption of package hi-fi makers' practices (p. 18).

TV-RADIO SALES & OUTPUT far ahead of 1958 in both Aug. & first-8-months figures. Jan.-Aug. retail TV sales total 3,126,981 vs. 2,862,452 in 1958 period (p. 19).

LEAR INC. IN "FLAT SCREEN" RACE, developing eighth-inch-thick electroluminescent panel suitable for picture-on-wall TV (p. 19).

Networks

EXECUTIVE SHIFTS occur at 2 networks and an agency as CBS makes its TV-radio news operations a separate div., ABC creates international subsidiary, Y&R fills Levathes' job (p. 7).

Programming

SPACE SATELLITES' TV POTENTIAL may be even more significant than their military communications possibilities (p. 10).

HOW NEW SHOWS WILL DO is predicted by N. W. Ayer program analyst James Cornell (p. 10).

Finance

MILLION-DOLLAR MIDDLEMAN ROLE of MCA in handling Paramount features for TV is being questioned by some (p. 20).

Other Departments

AUXILIARY SERVICES (p. 11). **PERSONALS** (p. 12). **FILM, TAPE** (14).

NETWORKS ORDERED OUT OF AFFILIATE REP FIELD: FCC went all the way last week, voted unanimously (5-0, Craven & Cross absent) to force CBS & NBC to drop national TV spot representation of non-o&o stations by Dec. 31, 1961. ABC is unaffected, having no rep business. CBS & NBC radio rep business is left undisturbed.

FCC thus adopted another of the recommendations its staff made with regard to "unhealthy" network practices. CBS-TV stations div. pres. Merle S. Jones promptly announced CBS would oppose ruling. NBC also is quite likely to fight this one—by asking FCC to reconsider or by appealing to courts, or both.

Full text of decision wasn't issued last week, so Commission's explanation of its reasons won't be known until this week. In a brief announcement, FCC stated that it amended its rules to:

- "1. Prohibit TV networks from serving as national spot representatives of their affiliated stations; and
- "2. Provide a grace period until Dec. 31, 1961 during which TV networks engaged in this practice may continue to serve the stations they now represent in the national spot field.

"The report finds no need for a similar prohibition in the radio broadcast field at this time."

Networks may represent stations other than their own affiliates, it's evident from the foregoing, but first reaction of observers is that this is meaningless because networks aren't likely to tout facilities of competing stations.

"It's a good business," everyone says about CBS's & NBC's rep operations, and networks are loath to give it up. Networks have never divulged publicly the gross or net of their operations. However, FCC's network study report notes that the non-o&o stations repped by CBS & NBC—the ones they'd have to give up—grossed 8.3% of all non-o&o national spot income in the sample month of April 1956. Since April is believed higher than average, it's good guess that CBS & NBC would lose the commissions they're making on about \$15 million annually—namely, \$1.5-2 million. FCC's report had this to say about profits on this gross:

"For the 2 networks combined, net income before taxes is about 2/3 of the revenues (i.e. commissions) received by the spot-sales organizations. Approximately 2/3 of the revenue & income from the spot-sales operation comes from the representation of network-owned stations and 1/3 from the representation of affiliated stations."

If the decision stands, CBS would have to drop the following clients: WTOP-TV Washington, WBTW Charlotte, WBTW Florence, WJXT Jacksonville, KHOU-TV Houston, KSL-TV Salt Lake City, KOIN-TV Portland. NBC would drop WRGB Schenectady, WCKT Miami, WAVE-TV Louisville, KSD-TV St. Louis, KOA-TV Denver, KONA Honolulu.

NBC's position is particularly interesting, in view of fact that recent consent decree (Vol. 15:39) found Justice Dept. not only okaying NBC's retention of all present clients but also leaving door open for it to acquire more—as long as no coercion were to be employed. Thus FCC shows that it may at times exceed Justice Dept. in applying strictures to networks.

All other reps are jubilant, of course, and they're already pitching to the stations which CBS & NBC are ordered to drop. It remains to be seen, however, whether the dropped stations go to existing reps or form their own new rep firms built around cadres taken from the network rep subsidiaries. Such moves have been under consideration for a good many months.

TV 'QUIZLINGS' WIN HEADLINES FOR HARRIS: Washington audiences didn't come up to expectations (Vol. 15:40), but TV quiz probe producer Oren Harris (D-Ark.) and his troupe of House investigators last week put on some colorful revivals of long-dead shows (see p. 4)—and newspapers enjoyed every minute of proceedings.

Purported legislative purpose of Harris hearings—to see whether public needs legislative protection from any manipulations of TV contests—seemed to get lost in headline-producing quiz reruns. And it's unlikely that much more will be heard from his Commerce legislative oversight subcommittee on this highly debatable point.

FCC "has no jurisdiction over 'radio & TV quiz shows' per se," and Commission is prohibited "from exercising the power of censorship over broadcast material," Chmn. Doerfer reminded Harris in letter at outset of hearings. FTC also lacks any such jurisdiction—and if it had authority, it "would logically have to continue to a complete censorship of all such entertainment," said Chmn. Kintner. Both indicated govt. agencies should have no such power over programming, although Atty. Gen. William P. Rogers said later in speech at SEC 25th anniversary dinner that quiz frauds show need for reassessment of Govt.'s role in protecting public morals. Rogers called for "every effort" by Govt. & networks "to safeguard against this or any other such public deception in the future."

One newspaper which looked behind its own headlines to ask what Harris was after was Scripps-Howard's Washington Daily News. It called on TV to exercise "greater sense of responsibility" than had been displayed in big-money quizzes, but added: "It isn't wholly clear to us what, in an immediately practical way, the Congressional committee hopes to accomplish by this post mortem over a dead horse."

It was black headline week for TV meanwhile—as it will be every time press gets chance to point with scorn & derision at rival medium. Whatever else they did, Harris hearings provided legitimate chance last week. They also gave some extra TV "image" clean-up work for TV Information Organization to do as it opens shop in N.Y. this week under Louis Hausman (Vol. 15:39).

More reporters than spectators often were on hand for hearings on quiz chicanery in big House caucus room. Eight press tables were overcrowded, but 300 audience seats rarely were more than 1/3 occupied.

Despite new sensations promised in advance by Harris, public itself exhibited no S.R.O. interest in getting close-up looks as contestants of defunct programs (Variety has called them "quizlings") retold their stories of quiz frauds—and re-lived their nights of isolation-booth triumph while kines of 3-year-old performances were flashed on screen. Press gave blanket coverage, however.

Bannered Washington Post: "'21' TV QUIZ RIGGED, 2 TESTIFY," in type usually reserved for international crises. Under streamer, 4 columns were needed to detail contestants' confessions—many of them heard before—about how NBC-TV show was rigged. Editorial in Post said heavily that TV "hoax" had "robbed people of a kind of faith which it is dangerous to destroy in a democracy."

Similar splash play on quiz investigation was spread by other newspapers whose Washington reporters had no other Congressional developments to cover last week except dull Senate hearings on unemployment problems. And other editorial writers professed similar outrage over stale scandals. "Brazen fraud," said N.Y. Herald Tribune. "Millions of trusting people were outrageously deceived, deluded, duped, hoodwinked and put upon." It was "sordid," agreed Washington Evening Star, which mockingly pleaded for assurances from somebody that "rigged quiz shows were the only rotten apple in the barrel."

PRINT-VS.-TV STUDY APPEARS: Magazines are giving their offensive against TV another shot in the arm. Aiming at nighttime TV, new fall presentation of Magazine Advertising Bureau, based on study by Mkt. Research Corp. of America, attempts to show that network TV reaches lowbrow, low-income audiences and that magazines deliver better market. MAB study is not "anti-TV," or so Newsweek publisher and MAB chmn. Gibson McCabe told preview audience of magazine executives in N.Y. when presentation's initial version was unveiled.

Comparison of magazines-vs.-TV was made by research firm using 35 magazines (average cost-per-4-color-page-per-1,000: \$5.05) against 10 leading TV network shows. Net result, said MAB presentation, was that magazines delivered about 3 times as many households per dollar as TV.

Most recent studies of media usage by TV networks & research firms have shown magazine readership—more so than any other media activity, including newspaper reading—hardest hit by TV. According to MAB member Richard E. Deems (exec. v.p., Hearst magazines), however, magazines have "competed successfully" with TV. (For more on this MAB study, see p 13.)

ARMED FORCES STATIONS AT PLATEAU: Military TV stations at bases around the world have leveled off at 35, serving an estimated 350,000 troops, and no renewal of expansion is in sight. Lack of funds is reason, reports spokesman (who requested anonymity) for Defense Dept.'s radio & TV branch, Office of Armed Forces Information & Education.

There's some hope for resumption of growth following current experiments with a low-cost do-it-yourself station on Midway Island, the latest military outlet, which started this summer. Called "STAR" (for simplified TV and radio), it was built for \$15,000, can be operated by one man. This compares with \$60,000-\$80,000 for the other stations, most of them using Dage equipment.

Another important cost factor is production of kines. Six kines of each show are produced at the service's Los Angeles office, bicycled among stations in 50-hour packages.

HQ personnel are extremely grateful to industry for cooperation. Blanket agreements with the networks, guilds & unions and 98% of advertisers permit reproduction of virtually all programs.

"The impact on troops is tremendous, a terrific morale booster," particularly in such dismal spots as Thule, Greenland, we're told. Favorite programs are "Westerns, movies, quiz shows—the same as here." About 55-65 hours are telecast weekly. Some live originations are offered, primarily news & weather. Broadcast day generally is 4-11 p.m. after duty hours.

Stations aren't intended to serve civilians in areas surrounding bases, and attempt is made to keep grade A signal within 2-4-mile radius. (For directory of stations, see p. 293, Factbook No. 29.) Stations serve from 500 to 8,000 receivers each, the total estimated at 50,000-60,000.

Each station's equipment includes 2 studio cameras, a film chain, 4-monitor video control, 2 sync generators plus transmitter & antenna. Staffs range from 3 to 19. More civilian help is desired because turnover of servicemen is so great. Each station is under control of the local area commander, but the program is coordinated in Washington under Lt. Col. John H. Lay.

EXPLOSIVE GROWTH OF FOREIGN TV: World TV has entered period of mushrooming growth which characterized the U.S. variety in the 1950's. During past 12 months, number of TV receivers outside the U.S. has increased by 43%, number of TV stations by 63%.

There are now 1,010 TV stations and at least 33,725,000 sets in 53 countries outside the U.S. Add to these America's 554 stations & 51.5 million sets, plus 34 U.S. Armed Forces TV stations at foreign military posts, and the world TV total becomes 1,598 stations & 85,226,000 sets. These figures are distilled from Television Digest's new Foreign TV Directory, which we believe to be most complete and accurate ever compiled. It's a feature of Fall-Winter TV Factbook (No. 29), now in mails to full-service subscribers.

Areas of TV's growth are sharply delineated in comparison of current directory with the one which appeared in 1958 Fall-Winter Factbook. During the 12-month period ending Aug. 1, these countries showed greatest increase in new stations: Italy, 144 stations added (mostly satellites); West Germany, 86; Japan, 44; Russia, 36; France, 22.

These are the world's leading TV countries (figures up-to-date as of Aug. 1): United Kingdom, 30 stations & 10 million sets; Canada, 62 stations & 5.5 million sets; USSR, 106 stations & 3 million sets; Japan, 67 stations & 2.9 million sets; West Germany, 164 stations (including 128 satellites) & 2.9 million sets; Italy 313 stations (288 satellites) & 1.5 million sets; France, 45 stations & 1.3 million sets.

Communist bloc lags far behind West in TV development. Including Russia's 106 stations & 3 million sets, total for the 8 countries is 136 stations, less than 4.1 million sets.

New updated TV Factbook lists individually every one of the world's TV stations, with data on location, power, channel, starting date, etc., for all foreign stations—obtained directly from foreign sources in most cases. Summary table of World TV Stations & Sets will be found on p. 9.

Congress

More about

THOSE 'FIXED' TV QUIZZES: Already-damaged TV reputations suffered further erosion last week in House Commerce legislative oversight subcommittee hearings reopening old quiz-show scandals. New suspicions about participants' conduct in the programs were raised. NBC-TV & CBS-TV (ABC-TV didn't go in for quizzes) were publicly embarrassed all over again.

These were the wildly-headlined subcommittee accomplishments (see p. 2) as investigators MC'd by Chairman Harris (D-Ark.) delved into backstage operations of the big-prize-money quizzes which were hastily pulled off the air last year after "fix" stories began breaking in N.Y. newspapers (Vol. 14:35 et seq.). One smaller-budget quiz which survived that debacle also was tainted in testimony.

Otherwise, little fresh evidence of rigging of the once-high-rated shows by packagers & producers (nobody accused the networks themselves of chicanery) seemed to be added to that already reported—or widely rumored during a 9-month probe by a N.Y. Grand Jury. The hearings will be on again this week.

Transcripts of the jury's proceedings were followed closely by subcommittee counsel Robert W. Lishman in questioning witnesses, most of them contestants whose testimony in the House caucus room was supplemented by kines of 3-year-old on-air performances.

They told of careful screening by the shows' operators for audience appeal, coaching on how to act out their parts before cameras & mikes, rehearsals of questions & answers, instructions on when to win & lose "contests"—and reprisals if they refused to play along in the manipulated programs. The caucus room reruns of the shows, which once kept the country fascinated, brought jeering laughter from spectators at the hearings as the contestants displayed uncertainty, anguish, triumph & despair.

Much of it was old stuff. But at the week's end the previously-unchallenged TV quiz reputation of the biggest 1956-57 isolation-booth hero of them all—\$129,000 winner Charles Van Doren of NBC-TV's defunct *Twenty-One*—was clouded. And NBC fired the producer of *Tic Tac Dough*, a lesser quiz which stayed on the air, for refusal to sign an affidavit that none of its contestants had been given answers to prize questions in advance.

Van Doren was "relieved of all work assignments by NBC pending a final determination of the current Congressional investigation," the network announced. Van Doren, a \$50,000-a-year employe of NBC featured on *Today* since he parlayed his Dec. 5, 1956 debut on *Twenty-One* into record winnings, also won national fame as an astonishingly erudite young man who did much to make book-knowledge fashionable.

He was suspended from his network job following failure to respond immediately to a call by the Harris subcommittee to appear & clear up questions which had been raised as to whether his appearance on *Twenty-One* followed a script, too. Van Doren had sent telegrams to Harris repeating Grand Jury denials that he had ever received help from anybody on the show. The subcommittee wasn't satisfied with this response—and neither was NBC.

Following a long closed session with his subcommittee Oct. 9, when the hearings had been scheduled for completion (Vol. 15:40), Harris announced the headline-winning inquiry would be extended at least through Oct. 12. He would not confirm or deny reports that a House subpoena would be issued for the missing Van Doren. Next business of the subcommittee for an unusual Sat. session Oct. 10, Harris said, probably would be to hear spokesmen for FCC, which already had filed a statement pointing out it has no jurisdictional authority to police quiz shows.

NBC v.p.-gen. atty. Thomas E. Ervin announced earlier while testifying on his network's program "security" policies that *Tic Tac Dough* producer Howard Felsher had just been dismissed after receiving a subpoena from the subcommittee. "I asked him to give me a sworn state-

ment that he had not given answers to contestants," said Ervin. "He said he couldn't, and upon his refusal, we fired him." And Felsher was promptly implicated in rigging charges by testimony from 19-year-old Kirsten Falke, a Dec. 1956 *Tic Tac Dough* player. Felsher subsequently admitted to the subcommittee that in 1958 about 75% of performances on the show were fixed—and that he urged 25-30 persons to lie about their knowledge of the rigging when they appeared before the N.Y. grand jury.

NBC's "security" statement, as read to the subcommittee by Ervin, said "The National Broadcasting Co. regards rigging of TV quiz shows as a breach of public faith and a blight on a program type that otherwise can be both entertaining & instructive. No such practice can be justified and none has ever been countenanced by NBC."

The NBC statement applauded "full public exposure" of any fraud, said it had instituted "new steps which might additionally safeguard the integrity of the programs"—procedures which were recommended following an outside study by Arthur Young & Co.

The subcommittee didn't get around last week to another recently-on-air daytime quiz—CBS-TV's *For Love or Money* which was jerked by the network Jan. 30 this year after a 6-month run. But CBS-TV v.p.-gen. atty. Thomas K. Fisher was ready with a statement that the show was cancelled after the network's "internal surveillance" disclosed a "dancing decimal machine" was being manipulated. Fisher also said. "It is clear that there were behind-the-scenes, improper practices of one sort or another in a number of the quiz shows created & managed by the independent producers and broadcast by the networks—some of them over the CBS-TV network."

Chief heavies of the week's testimony—as they had been since the quiz stories broke into newspaper print—were Dan Enright of packager Barry & Enright and producer Albert Freedman of *Twenty One* which was bought by NBC from Barry & Enright in a \$2.2 million deal in May 1957. Enright's partner Jack Barry, who M.C.'d the show, wasn't accused of direct participation in any rigging scheme. (NBC announced just before the hearings started that it had completed "negotiations to terminate relationships" with the packaging firm.)

Such *Twenty One* contestants as Herbert Stempel (\$49,500) and James Snodgrass (\$4,000) testified that Enright and/or Freedman had directed their show appearances through questions & answers down to the timing of heavy breathing into the mike to build up suspense—and when to "take the dive." It was Stempel, who "lost" to Van Doren in what he said was a "fix," who pointed a finger of suspicion at Van Doren. He said he always knew in advance what Van Doren's quiz score would be.

CBS-TV's and NBC-TV's *Dotto*, the first of the quiz shows to fall after the 1958 scandals started, was similarly exposed again by the subcommittee. Witnesses in this phase of the hearing (whose agenda embraced all of the many quizzes) included Edward Hilgemeier, Antoinette DuBarry Hillman, David Huschle.

The philosophy of at least some of the contestants who said they willingly played along with question-&-answer scripts may have been expressed by Mrs. Hillman. Asked if she thought she was abetting frauds on the air, she said: "I really didn't. I was perfectly blithe about it. They were having a happy time. I was. Everybody was."

Senator Leverett Saltonstall (R. Mass.) ranking Republican on the Senate Armed Services Committee, will speak to the Mass. Bestrs. Assoc. annual meeting Oct. 13 at the University Club, Boston.

The FCC

NBC & PHILCO SQUARE OFF: Said Philco last week: NBC should have its licenses for WRCV-TV & WRCV Philadelphia taken away from it so that it has only "real estate" left to sell, despite the fact that Justice Dept. has agreed to permit NBC to sell the whole package (Vol. 15:39). Philco's position was submitted by counsel Henry Weaver, in oral argument before FCC.

The reason, Weaver said, is that NBC & its parent RCA have such a record of monopolistic behavior that they don't have the requisite character to be broadcast licensees. What he sought last week was a full evidentiary FCC hearing in which to prove his allegations.

Philco faces an uphill struggle in attempting to persuade the Commission, because FCC once before threw out Philco's charges on the grounds that they were "vague & insubstantial . . . remote & speculative." However, the U.S. Supreme Court overruled FCC to the extent that it had to give Philco an oral argument, at least.

NBC's position in the oral argument, as expressed by counsel Bernard Segal, was that Philco is getting what it originally asked for (the removal of NBC as a station owner in Philadelphia) but has now changed its position to seek a more drastic penalty—the cancellation of NBC's licenses.

"The real interest of Philco," Segal asserted, "is the harrassment of RCA through NBC." He stated that Philco is trying to use FCC to help its \$150-million anti-trust suit now pending against RCA. Segal said that Philco's protest had merely listed anti-trust suits in which RCA was involved, but hadn't gone into the charges "with particularity," as required by law. Furthermore, he said, Philco had listed a number of network practices—option time, must buy, etc.—terming them "monopolistic." Such practices, he said, are properly being considered by the Commission in separate rule-making proceedings.

Basically, Segal said, Justice Dept. has concluded that forfeiture of the Philadelphia stations is not in the public interest, hence there's no need for FCC to go further. He also noted that if the Commission were to go into all the allegations made by Philco—including "patent misuse," etc.—the hearing would be endless.

Weaver asserted that the Justice Dept., NBC consent decree specifically stated that no conclusions had been drawn as to whether RCA & NBC were guilty of any monopolistic activity and that it was FCC's duty to draw such conclusions in order to determine whether NBC is a fit licensee. FCC Chmn. Doerfer asked Weaver how long such a hearing would take. Weaver first estimated 2-3 months, then 6 months, then concluded that FCC must look into the allegations even if the hearing "takes 20 years."

Comr. Ford asked Weaver whether NBC would have to forfeit all its licenses if Philco's charges were proved. "It's up to you," said Weaver. However, he added: "The bad character of NBC was evidenced more formidably in Philadelphia," referring to the charges that RCA-NBC had forced Westinghouse to turn the Philadelphia stations over to NBC in exchange for the latter's Cleveland stations.

Segal brought up the fact that Philco had once owned WRCV-TV (as WPTZ). It had an investment of \$38,000 in it, he said, then sold it to Westinghouse for \$8.5 million. "And Westinghouse," he said, "is bigger than RCA and Philco combined—a more serious competitor than RCA."

FCC counsel John Harrington asked that Philco's request be turned down. There was nothing new in its protest, he said, that hadn't been rejected previously by the Commission—particularly at the time NBC's purchase of

BACKGROUND

NO. 5

FEDERAL GOVERNMENT SUPERVISION OF BROADCASTING—October 1959

LEGISLATIVE

THE SENATE

Supervisor	Jurisdiction	TV-radio task forces	Recent assignments
Committee on Interstate & Foreign Commerce Warren G. Magnuson (D-Wash.), Chmn.	"Interstate & foreign commerce generally." "Communications by telephone, telegraph, radio & television."	Subcommittee on Communications John O. Pastore (D-R.I.), Chmn.	Equal political broadcast time, CATV-booster regulation, FCC procedural reform
Committee on Judiciary James O. Eastland (D-Miss.), Chmn.	"Revision & codification of the statutes of the United States." "Protection of trade & commerce against unlawful restraints & monopolies."	Subcommittee on Administrative Practice & Procedure John A. Carroll (D-Colo.), Chmn. Subcommittee on Anti-Trust & Monopoly Legislation Estes Kefauver (D-Tenn.), Chmn.	Revision of Administrative Procedure Act governing FCC Sports anti-trust exemptions permitting TV game blackouts

HOUSE OF REPRESENTATIVES

Committee on Interstate & Foreign Commerce Oren Harris (D-Ark.), Chmn.	"Interstate & foreign commerce generally." "Regulation of interstate & foreign communications."	Subcommittee on Communications & Power Oren Harris (D-Ark.), Chmn. Subcommittee on Legislative Oversight Oren Harris (D-Ark.), Chmn.	Equal political broadcast time TV quiz shows
Committee on Judiciary Emanuel Celler (D-N.Y.), Chmn.	"Revision & codification of the statutes of the United States." "Protection of trade & commerce against unlawful restraints & monopolies."	Subcommittee on Anti-Trust Emanuel Celler (D-N.Y.), Chmn.	Sports anti-trust exemptions permitting TV game blackouts
Select Committee on Small Business Wright Patman (D-Tex.), Chmn.	"Studies & investigates problems of small business."	Subcommittee on Advertising Charles H. Brown (D-Mo.), Chmn.	TV time-selling practices

ADMINISTRATIVE*

Department of Justice William F. Rogers, Attorney General	Enforcement of laws, including Communications Act, anti-trust statutes, laws governing lotteries, obscenity, etc.		RCA-NBC Philadelphia anti-trust consent decree, network option time, FCC TV "influence" cases, political equal time
Federal Communications Commission John C. Doerfer, Chmn.	"For the purpose of regulating interstate & foreign commerce in communication by wire & radio so as to make available, so far as possible, to all the people of the United States a rapid, efficient, nation-wide and world-wide wire & radio communication service with adequate facilities at reasonable charges, for the purpose of the national defense, for the purpose of promoting safety of life and property through the use of wire & radio communication . . ."	Many	Continuous surveillance of TV, radio & wire communications
Federal Trade Commission Earl W. Kintner, Chmn.	"Unfair methods of competition." "Unfair or deceptive acts or practices."	TV-radio advertising monitoring unit Charles A. Sweeney, Legal Adviser	Variety of complaints involving broadcast commercials
Interdepartment Radio Advisory Committee William E. Plummer, Chmn.	Allocation of radio spectrum among govt. radio users, in association with Office of Civil & Defense Administration (F. C. Alexander, deputy asst. dir. for telecommunications).		Review of govt. long-range spectrum needs in light of FCC's request for more vhf TV channels
Securities & Exchange Commission Edward N. Gadsby, Chmn.	"Interests of the public & investors against malpractices in securities & financial markets."		Cases involving former MBS officers

JUDICIAL

U.S. Court of Appeals for District of Columbia Judicial Circuit E. Barrett Prettyman, Chief Judge	Under Sec. 402 of Federal Communications Act, Court has original jurisdiction in appeals from FCC decisions & orders involving applications & licenses.		Competitive TV cases, allocations rule-making
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* NOTE: Special interests of broadcasting business and/or related electronics industry also are affected occasionally, directly or indirectly, by policies & actions of such agencies as Internal Revenue Service, State Dept., Labor Dept., Defense Dept., Office of Civil & Defense Mobilization, Federal Aviation Agency, Commerce Dept., (Business & Defense Services Administration, Bureau of Standards, Patent Office), Dept. of Health, Education & Welfare, National Aeronautics & Space Administration, U.S. Information Agency, etc.

WNBC Hartford was approved. He said that Philco offered nothing to show that the public would be hurt by a renewal of NBC's licenses. He cited Congressional reports to the effect that networks have made the major contribution to TV's development and he concluded that networks should not be divested of o&o stations, because they need the revenues to maintain a high level of programming.

Comrs. Doerfer & Bartley, by their questions, showed that they're poles apart in their views of monopoly. Said Doerfer: "You don't know you've violated the anti-trust laws until the Supreme Court says so." He also wondered about the "finality" of anti-trust proceedings—whether the Govt. was justified in putting an organization on the grill repeatedly for the same alleged offense, through the Justice Dept., FCC, FTC, etc. Bartley made it clear he believes that a person knows when he violates the anti-trust laws.

Two unusual translator grants were given to the U. of Utah by FCC last week. The stations, to operate on Ch. 71 & 74, will be used primarily to originate on-campus programs with an occasional simulcast of the university's educational KUED (Ch. 7). In order to grant the stations, the FCC had to waive 2 sections of the rule—one which defines a translator station and the other which sets forth the public-service aspects of a translator. The grants are subject to specific conditions which contain rigid engineering standards confining the stations' coverage to a clearly defined area.

Chronic shortage of engineers has prompted FCC to issue a public notice requesting qualified persons to apply for jobs with the Commission. Because its force of 300 engineers is inadequate, it's eager to hire young people who want govt. careers. College seniors and engineering graduates, in addition to those with working experience, are urged to apply. The positions pay \$4,490 to \$5,880 a year, are open in Washington and in field offices. Applicants are urged to write to the executive secretary, Board of Civil Service Examiners, FCC, Washington 25, D.C.

Permission to move transmitter of WEAR-TV (Ch. 3) Pensacola 7 miles from its present site was granted by FCC last week. The Commission waived minimum co-channel separation rules to make the grant, which will not become effective until WLBT (Ch. 3) Jackson, Miss. begins operation from its new location 12 miles SW of Jackson.

FCC turned down 2 rule-making proposals last week: A request by the Joint Council on Educational TV to change the educational reservation in Wausau, Wis. from Ch. 46 to Ch. 9 and a petition by Wrather-Alvarez Bestg. Inc., former permittee of KYAT (Ch. 13) Yuma, to switch that channel from Yuma to El Centro, Cal.

Telecaster Sarkes Tarzian's application for Ch. 13 in Bowling Green, Ky. was denied last week by FCC which reversed examiner Millard F. French's initial decision of Sept. 8, 1958 (Vol. 14:37). Winner was George A. Brown Jr., Ky. sales head of General Shoe Corp.'s Fortune div. Chmn. Doerfer dissented.

Complaint to FCC by WSAZ-TV (Ch. 3) Huntington, W. Va. of excessive charges for use of AT&T's program-transmission channels between Huntington & Columbus, O. was designated last week for hearing. The complaint alleged that AT&T was charging more than specified in applicable tariffs.

Allocations changes: FCC last week switched the educational reservation in Muncie, Ind. from Ch. 71 to Ch. 55 at the behest of Bell State Teachers College.

Networks

Executive Shifts: Two network v.p.'s moved into newly created executive jobs last week, and a former NBC program v.p. took over one of the top TV-radio posts among leading ad agencies:

At CBS: Sig Mickelson, who's been v.p. & gen. mgr. of CBS News since TV-radio news & public affairs functions were combined in 1954, was named to the new post of pres. of CBS News. Thus, CBS News now exists as a full-fledged division of CBS, and Mickelson holds a rank (although junior in seniority) equivalent to other division heads such as Lou Cowan (pres., CBS-TV div.), Arthur Hull Hayes (pres., CBS radio div.) and Merle Jones (pres., CBS Stations div.). CBS News now provides about one out of every 6 programming hours on the TV network, nearly one out of 3 hours on CBS radio, and supplies CBS newsfilm service to stations in all major U.S. markets & 21 foreign countries. (The newsfilm service, which was 6 years old in Sept., is now seen in 3 of every 4 TV homes in the world, mgr. John M. Cooper reported last week—an audience estimated at 115 million viewers in 74.6% of the world's television homes.)

At ABC: A new subsidiary of ABC-TV, ABC International div., was created last week to handle what AB-PT pres. Leonard H. Goldenson called "increasing expansion of our network & station activities in foreign countries." Appointed to head the network offshoot is Donald W. Coyle, ABC-TV v.p. & gen. sales mgr., who joined ABC in 1950 as a research writer. ABC now has foreign investments in Televisora de Costa Rica and in the News Ltd. of Australia (NWS-TV Adelaide), and plans investment in other areas. Ultimately, said Goldenson in announcing Coyle's appointment, ABC hopes to have "an ABC international network, programmed at first via tape & film but in the not-too-distant future perhaps by direct live transmission relayed from satellites." (For other news of space-age TV, see story page 10.)

At Young & Rubicam: to fill the v.p. & TV-radio dir. post vacated late last month by Peter G. Levathes (who became pres. of 20th Century-Fox TV Productions—Vol. 15:39), Y&R picked Mort Werner, at one time national program v.p. at NBC-TV and a prime mover in the creation of NBC's "magazine concept" participation shows such as *Today* and *Jack Paar Show*. Werner, recently a v.p. of Kaiser Industries, has been in TV-radio production since 1932.

Dismissal of indictment against ex-MBS pres. Alexander L. Guterma, accused of violating the Foreign Agents Registration Act in a \$750,000 broadcast-propaganda deal with the Dominican Republic (Vol. 15:36-37), is sought on grounds that the law didn't apply to him. Filing a formal motion in Washington's U.S. District Court for dropping of the charges, Guterma's Washington counsel William Wolf Jr. asserted that Radio News Service Corp., which was set up as an MBS subsidiary to handle Dominican news, was a news service exempt from terms of the law. Wolf also challenged constitutionality of the law. At the same time, Wolf submitted a copy of the MBS-Dominican contract which obligated Mutual to transmit Dominican releases over its facilities to affiliated stations. It included provisos that Radio News Corp. wouldn't handle news reports which would be damaging to the Dominican Govt. or the U.S. After the Federal indictment against Guterma & 2 other former MBS officers was handed down, the Dominican Republic sued to recover the \$750,000, complaining that the contract wasn't fulfilled.

Network Television Billings

August 1959 and January-August 1959

(For July report, see TELEVISION DIGEST, Vol. 15:36)

August Also Ahead: Network TV gross time billings continued upward by totaling more than \$46.7 million in Aug., up 12.6% over the \$41.5 million business of Aug. 1958. Cumulative billings for Jan.-Aug. rose strongly to more than \$403 million, running 10.2% ahead of the approximate \$366 million pace of the year-ago period. CBS paced all networks in dollar volume, with Aug. billings of more than \$21 million, cumulative billings topping \$174 million. The biggest percentage gains were racked up by ABC, which increased 18.5% in Aug.-over-Aug. business and 18.9% in year-to-date comparisons.

NETWORK TELEVISION						
	Aug. 1959	Aug. 1958	% change	Jan.-Aug. 1959	Jan.-Aug. 1958	% change
ABC	\$ 8,205,520	\$ 6,923,735	+18.5	\$ 78,019,506	\$ 65,625,091	+18.9
CBS	21,238,979	19,383,736	+ 9.6	174,364,245	161,764,077	+ 7.8
NBC	17,298,527	15,202,021	+13.8	150,662,789	138,310,282	+ 8.9
Total	\$46,743,026	\$41,509,492	+12.6	\$403,046,540	\$365,699,450	+10.2
1959 NETWORK TELEVISION TOTALS BY MONTHS						
	ABC	CBS	NBC	Total		
January	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179		
February	10,024,460	20,806,220	18,053,828	48,884,508		
March	11,565,031	23,265,395	20,728,315	55,558,741		
April	10,309,263	22,077,285	19,739,816	52,126,364		
May	9,946,570	22,298,271	19,674,494	51,919,335		
June	8,930,114	21,171,128	17,984,845	48,086,087		
July	8,391,470	21,377,719	17,883,111	47,652,300		
August	8,205,520	21,238,520	17,298,527	46,743,026		

Note: Figures revised as of Sept. 29, 1959. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net-dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on the basis of one-time network rates or before frequency or cash discounts.

'Quick Niensens' for Nets: Need for rapid measurement of competitive program strength this season has caused an interesting paradox with regard to the TV networks and researcher A. C. Nielsen. Although all 3 notified Nielsen earlier this year that they were cancelling their contracts (in protest over a proposed Nielsen rate hike) effective next season, the networks last week signed with Nielsen for the firm's speeded-up, 24-market reports of program ratings in the fully competitive (3-network) markets.

Nielsen will now issue fifty 24-market reports a year, each to be mailed 6 days after the last telecast of the rating period. Although the reports are not a national measurement (only 40% of the nation's TV homes are in the 24 areas), they will indicate competitive viewing trends, the effects of changes in format, and a clue to network strength that will later be reflected in national measurements.

Further postponement of MBS reorganization under the Bankruptcy Act took place in N.Y. Oct. 6. Referee Asa Herzog set Oct. 14 as the date when the validity of N.Y.C.'s \$300,000 tax claim against Mutual will be heard & decided upon by him instead of by the city's tax tribunal.

CBS radio network will show a profit in 4th-quarter 1959 and "could make money in 1960," CBS Radio pres. Arthur Hull Hayes has assured affiliates.

NETWORK SALES ACTIVITY

NBC-TV

Troubleshooters, alt.-wk. sponsorship, Fri., 8-8:30 p.m.
H-A Hair Arranger (Boyer's Adv.)
 "Time: Present—Chet Huntley Reporting," Sun., 5:30-6 p.m. 26-wk. order, full sponsorship.
Kemper Insurance (John W. Shaw)

Stations

New Spot Yardstick: Network activities in the station rep field may have been dealt a blow last week (see page 1), but they were still moving forward. After several months of study & preparation, CBS-TV Spot Sales sent us a copy of a new research report titled "Cume-Finder," designed to show clients & agencies the cumulative audience effects of spot TV.

The study is basically a series of charts covering daytime & nighttime spot schedules ranging in frequency from 2 to 8 spots weekly, in campaigns that vary from 15 to 75 top markets. Unduplicated TV home audiences are shown on both a weekly and 4-wk. basis, using Nielsen figures in the projections.

Some sample figures: In a 15-city campaign, a schedule of 4 nighttime announcements, at a weekly cost of \$39,040, will reach 14,112,600 homes in a week and 20,585,700 in the course of a month out of a 15-city TV home total of 22,873,000 units, with a weekly average frequency of 1.5 exposures and a monthly rate of 4.2 exposures. In a 45-city campaign, 6 nighttime announcements weekly (\$99,900) will reach 25,291,500 homes in 7 days, 33,011,700 in a month out of a total of 34,933,000. Average frequency on a weekly basis: 2.0. On a monthly basis, 6.0.

In daytime TV, a saturation schedule of 36 spot announcements weekly in the top 30 markets (\$80,278) will reach 19,045,600 homes in a week, 25,854,000 in a month with a weekly average frequency of 4.3 exposures and 12.5 in the course of a month.

Statistics for "Cume-Finder" come from several sources, and were compiled under the direction of CBS-TV spot sales research mgr. Robert Schneider. Costs are from Standard Rate & Data Service, based on the CBS-TV station (o&o or affiliates) in each market. Daytime costs are based on 20-sec. announcements after applicable volume discounts. Prime-time costs were based on each station's highest 20-sec. rate before discounts.

RCA has shipped a pylon antenna to WFAM-TV (Ch. 18) Lafayette, Ind., which is being revived this fall by Sarks Tarzian; a used pylon to KNDO (Ch. 23) Yakima, Wash., planning an Oct. start; slotted antenna to KPEC-TV (Ch. 56, educational) Tacoma, Wash., planning fall debut; 5-kw used DuMont transmitter to KXGO-TV (Ch. 11) Fargo, N.D., also due to start this fall; TV tape recorder to WISN-TV Milwaukee (its 2nd unit); 2 TV tape recorders to WBAL-TV Baltimore.

WRCA-TV N.Y. Jan.-Sept. sales climbed 17% over the same period of 1958, putting the station in line for "its most profitable year in history," NBC v.p. William Davidson said last week. The station is near a sell-out on prime-time 10-sec. TV spots, and has a waiting list for 20-sec. prime availabilities, said Davidson. Last week *13th Hour Drama* was tacked on the tail end of WRCA's nightly schedule (Vol. 15:40) to open up additional spots.

First major 30-sec.-spot campaign booked through Peters, Griffin, Woodward station rep has been bought by Phillips Petroleum Co. on WTVJ Miami. Phillips' order is for five 30-sec. spots weekly for a full year. The rate was computed as 150% of the station's AA 20-sec. charge. PGW has been instrumental in promoting usage of the 30-sec. rate (Vol. 15:18).

Single application for a new TV station filed with the FCC last week was for Ch. 34, Salina, Kan. by the owners of KAWL, York, Neb. Total pending is now 107 (14 uhf).

Broadcasters' labor problems should be eased by provisions of the new Federal Labor Law (Vol. 15:37) which gives authority to NLRB regional directors—instead of the board itself—for decisions in union representation cases, says NAB labor specialist Charles H. Tower. Responding to an NLRB request for Comments on the new legislation, Tower sent a 4-page analysis of its terms to board chmn. Boyd Leedom. He warned that interpretations of the law may bring "confusion," but said "the objective of the change in [representation] procedure is laudable." Tower foresaw "more expeditious handling" of claims by unions to speak for station employes.

Broadcasting education in the country's universities is "inadequate" and 10 yrs. behind the real size of the TV-radio industry, said Warren Boorum, v.p. & dir. of member service of RAB last week in address before the Hartford, Conn. ad club. Boorum, appealing to admen to "take whatever steps necessary to modernize the broadcasting curriculum in schools," added that "most TV-radio courses stress programming & production factors in broadcasting but ignore the industry's important business aspects."

Complete control of WBIR-TV (Ch. 10) & WBIR Knoxville, Tenn. is being acquired for \$2,100,000 by 30% owner Taft Bestg. Co., it was announced last week. Taft Bestg.—licensee of WKRC-TV (Ch. 12) & WKRC Cincinnati, WTVN-TV (Ch. 6) & WTVN Columbus, WBRC-TV (Ch. 6) & WBRC Birmingham—is buying the other 70% held by Gilmore N. Nunn, Mr. & Mrs. Robert L. Ashe and pres. & gen. mgr. John P. Hart.

WABC-TV tried to put unfavorable criticism to work for it in promoting the new *Everything Goes* series last week, after the late-night panel show was unmercifully panned by N.Y. TV critics. The ABC-TV flagship placed a unique ad in *The New York Times* and *Variety* quoting sour notices of columnists Jack O'Brian and Nick Kenny in the form of "an open letter to TV viewers." The ad promised that "the program has undergone development changes," and asked viewers to try the show again.

KOVR Stockton, Cal., is not for sale, 20th-Fox was told last week after initiating conversations aimed at buying the Gannett station. Glover DeLaney, managing director of the Gannett broadcast group, told us Gannett isn't interested in selling the station, and the talks have stopped. He acquired KOVR last year from Hoffman Electronics.

Largest installation of silicon-controlled rectifiers for light dimming is in ABC-TV's new N. Y. studio, used for first time this month. The studio's lighting uses GE silicon-controlled rectifiers to control 570 circuits.

WBKB-Chicago is building its largest (60 by 34 ft.) & most elaborate TV set—a plush apartment which will be the scene of *Playboy's Penthouse* (Vol. 15:35), the magazine program which debuts Oct. 24.

Elaborate brochure explaining video-tape recording—and why advertisers should have their tapes made at WBBM-TV—is being distributed by the CBS Chicago station. Title: *Video Tape Recording*.

Waiver of rules for WAVY-TV (Ch. 10) Norfolk-Portsmouth, Va. was granted by FCC last week, permitting the station to identify itself also with Newport News.

WPBN-TV Traverse City & WTOM-TV Cheboygan, both Mich., have appointed Venard, Rintoul & McConnell Inc. as their national rep, effective immediately.

Assn. of Maximum Service Telecasters (MST) directors hold fall meeting Nov. 10 in Washington's Mayflower.

Foreign

BARTELL'S OVERSEAS TV: The Bartell Family Radio Group has invested in 3 Caribbean-area TV stations currently under construction: Tele-Aruba, Ch. 7, Oranjestad; Tele-Curacao, Ch. 5, Willemstad and Tele-Haiti, Ch. 5, Port-au-Prince. The first 2 scheduled to begin operations by Mar. 1960, are a joint venture of Bartell and the Netherlands Antilles government, the former investing \$350,000 for controlling interest. Silent partners are representatives of the NA govt., which supplied the station group with construction franchises, Bartell group pres. Gerald Bartell told us last week. There are only 1,500 TV sets in the Dutch West Indies, but there is plenty of growth potential, said Bartell.

Tele-Haiti will be Haiti's first TV station and will be operated by Bartell under a 10-yr. grant from the Haitian government. Bartell investment there totals \$175,000. Target date for Tele-Haiti is Nov. 29. Present TV set ownership in Haiti, one of the least wealthy Caribbean areas, is non-existent, but its improving economy & 3.5 million population make it potentially worthwhile, Bartell said.

Programming for the 3 stations will be "cultural and educational" as well as entertaining. Last week Bartell named Boris Frank, former TV producer for Gotham Recording Corp., program dir., Caribbean area. HQ: Curacao.

Bartell is also planning to import European programming (film) for the new TV outlets, and is leaving Oct. 12 for a program-buying trip to Paris (to negotiate for French programming for Haiti) and to Amsterdam (for Dutch-language shows for Curacao & Aruba). English & American films will be used on all 3 stations. The Bartell group owns 6 radio stations in the U.S.

More about

WORLD TV GROWTH: This table of world TV stations & sets-in-use as of Aug. 1, 1959 is based on the new Foreign TV Directory, a feature of the 1959 Fall-Winter TELEVISION FACTBOOK (see p. 4). It has been updated on the basis of survey results received too late for inclusion in the FACTBOOK.

Country	Stations	Sets	Country	Stations	Sets
Algeria	2	28,000	Lebanon	2	1,500
Argentina	1	400,000	Luxembourg ..	1	4,000
Australia	9	618,000	Malta ³	—	4,000
Austria	15	88,200	Mexico	18	600,000
Belgium	5	350,000	Monaco	1	11,000
Bermuda	1	8,000	Netherlands ..	6	500,000
Brazil	9	850,000	Nicaragua	1	5,000
Bulgaria	1	500	Nigeria	1	1,000
Canada	62	5,534,000	Norway	1	2,500
Chile	1	— ¹	Panama ⁴	—	8,000
China			Peru	3	27,500
(Mainland)	3	5,000	Philippines ...	2	25,000
Colombia	6	150,000	Poland	5	138,000
Cuba	26	365,000	Portugal	5	35,000
Curacao	—	2,000	Rumania	2	20,000
Cyprus	1	3,000	Saudi Arabia..	1	2,500
Czechoslovakia ..	6	450,000	Spain	3	130,000
Denmark	7	300,000	Sweden	17	450,000
Dominican Rep. ..	4	13,000	Switzerland ..	12	67,882
El Salvador	2	15,000	Thailand	2	40,000
Finland	6	21,000	Turkey	1	1,000
France	45	1,300,000	United K'dom ..	30	10,000,000
E. Germany	10	425,000	Uruguay	1	15,000
W. Germany	164 ⁷	2,900,000	USSR	106	3,000,000
Guatemala	2	20,000	Venezuela	9	200,000
Hong Kong ²	1	3,000	Yugoslavia	5	12,000
Hungary	3	30,000			
Iran	1	12,000	FOREIGN		
Iraq	1	9,000	TOTAL ..	1010	33,725,582
Ireland ²	—	70,000	U. S.	554	51,500,000
Italy	313 ⁵	1,500,000	U. S. Military ..	34	— ¹
Japan	67	2,949,000	GRAND		
Korea	1	6,000	TOTAL ..	1598	85,225,582

¹ Sets-in-use estimate unavailable.

² Viewers tune to British stations.

³ Closed-circuit cable system.

⁴ Viewers tune to Armed Forces stations.

⁵ Includes 288 satellite stations.

⁶ Viewers tune to Italian stations.

⁷ Includes 128 satellite stations.

Programming

TV, SPACE & THE MOON: Commercial possibilities of space satellites—for relaying worldwide TV, telephone, etc.—may be even more significant than their military potential. This was indicated last week by Deputy Chief Signal Officer Brig. Gen. Earle F. Cook in address to Radio & TV Executives Society in N.Y.

Undoubtedly referring to Bell Labs' research project on TV-telephone space relays (Vol. 15:40), Gen. Cook told his broadcasting audience: "Satellites will ultimately provide a reliable & efficient means of spanning the oceans & polar regions, of providing truly global communications—for military, but more particularly commercial, purposes." The world stands "on the threshold of a vast new era in communications," he said, adding:

"Although initially of considerable expense, the regular transmission of transcontinental video programs—and even trans-world video programs—would soon absorb the cost of launching an active communications satellite. The magnitude of commercial possibilities of such a privately-owned satellite relay staggers the imagination of even those of us who daily work with outer-space devices."

* * *

While Gen. Cook was discussing the role of space research in the future of TV, the N.Y. convention of the SMPTE was taking a look at the role of TV in future space research.

All components for a TV system for taking pictures on the moon and relaying them to earth already have been developed, S. W. Spaulding of RCA's astro-electronics products div. told the convention. He pictured a system which could take still pictures of the moon both from a satellite & from the moon's surface itself. Principal features of the system:

A single picture could give better than 50-ft. resolution—meaning that, using a 500-line system, a picture could cover about a 5-mile square surface of the moon. The transistorized vidicon camera would weigh 6 lb., feeding slow-scan pictures to a tape recorder which would operate at 60 in. per sec. for recording, 2 in. per sec. for playback, and weighing 12½ lb. The transmitter would use a commercially-available exciter unit weighing 1 lb., and an available intermediate power amplifier (1½ lb.) in the 240-mc frequency range. To deliver a signal 2-kc wide, the transmitter power into the crossed dipole antennas should be about 600 watts.

The receiving station on earth would have a 60-ft. parabolic antenna. To send one single still picture to the earth with 500-line resolution would require one minute because of the narrow bandwidth; a 200-line picture could be sent in about 10 seconds.

Other RCA scientists described a new space camera being developed at the astro-electronic products div., in which all elements of camera & electrostatic tape recorder to store its pictures are built into a single vacuum tube.

AP has introduced a new format for its 5-min. news summaries by introducing each news item with a conversational capsule. (Sample: "There's news of more trouble on the labor front tonight.") Station news editors polled on the change last week by AP radio editor John Aspinwall approved it overwhelmingly—567 out of 743 respondents. The capsule "lead-ins" will be continued, Aspinwall says, for optional use as stations desire. Approving editors indicated that the capsule headings provide good transitions.

HOW NEW SHOWS WILL DO: Established TV shows will have to look to their rating laurels this season, for more of the season's newcomers will succeed than did new shows last year. One effect of this will be to make network rivalry tighter, with ABC-TV emerging with real rating strength, and the other 2 webs facing a tight race. That's the prediction of N. W. Ayer & Son's uncannily successful analyst, James H. Cornell, in a special report due this week in *Television*, monthly trade magazine.

Cornell, whose slide-rule predictions of advance Nielsen ratings used to give program executives some uneasy moments when he was an executive of NBC-TV's research dept., has picked some interesting potential winners in his latest study. Here are some of his predictions:

Riverboat will get a 38.5 average share of audience in the Nov.-Dec. 1959 period against lower shares on ABC & CBS. *The Rebel* will get ahead of *Dinah Shore* with a share of 36.0 as against 27.0. The much-touted *Ford Starline* specials will do only moderately well with a 35.0 share against mysteries, Westerns and comedies on ABC & CBS. *Veteran 77 Sunset Strip* will outpoint the Fri.-night specials on NBC-TV and edge out *Makesilu Playhouse* on CBS-TV with respective scores of 34.0, 26.0 and 32.0. *The Deputy* will draw a 41.0 share against a 26.0 for *Mr. Lucky*, another newcomer, and a not-so-hot 26.0 for *Lawrence Welk* on Sat. Another strong newcomer will be *Rod Serling's Twilight Zone*, which should show up in Nov.-Dec. national ratings with a 38.0 share—4 points ahead of *The Detectives* on ABC and 18 points ahead of boxing bouts on NBC.

Of the 39 new shows being launched this season, Cornell looks for 25 to receive shares "higher than the programs they replaced," and only 7 to get less than a 25.0 share—a figure he regards as "the danger point."

What gives Cornell's predictions significance is his past record as a TV handicapper. Despite all the imponderables involved, Cornell last fall predicted 50 out of 100 show ratings with an accuracy range of 3 points; over 2/3 within a 5-point range. Statistically, an error of a point or two is meaningless, which makes Cornell's guesswork impressive indeed.

Many factors enter into Cornell's judgments. A few: He sees almost all the pilots of each new season. He classifies each as to idea, stars, novelty, theme, production and writing values. He analyzes scheduling, audience appeal, program competition, composition of audience.

The focus of Cornell's study is on the so-called "competitive markets" (where all 3 networks have o&o's or affiliates), and on "share" rather than "rating," since sets-in-use figures vary with the hour and a high-share program late at night may, of course, have a smaller audience than a low-share program aired at an earlier hour.

* * *

In contrast to the above views, most Hollywood TV executives we've checked seem to view the new season as generally unimpressive. They feel that on the whole the new entries have failed to provide any spark or excitement, largely because they are imitative, offering little that is fresh or original. They predict that the best film ratings will be drawn by such holdovers as *Gunsmoke*, *77 Sunset Strip*, *Peter Gunn*, *Maverick* and *Rifleman*. The consensus is that the best new potentials are *Goldie*, *Dobie Gillis* and *Bourbon Street Beat*. Result: There's more behind-the-scenes preparation of replacements than ever.

Oscarcast Turned Down by UI: A surprising rejection of movie industry sponsorship of the annual Academy Awards telecast by Universal-International makes a return to commercial sponsorship a definite possibility.

Ben Kahane, Academy of Motion Picture Arts & Sciences pres., who said he was sure the industry would again sponsor the event (Vol. 15:40), told us last week that as a result of the unexpected UI action, "It doesn't look as good." "UI pres. Milton Rackmil has been talked to and he said no. It surprised & disappointed me," added Kahane.

While UI has given no reason for its action, it's no secret in Hollywood that the studio's movie grosses have declined. In fact, UI doesn't even own its studios anymore, having sold them last Dec. to MCA.

In view of the rejection, the Motion Picture Assn. of America producers will meet in N.Y. this week (Oct. 13) to reach a decision on the sponsoring of the awards show. "After that meeting, the Academy will make its decision. We must let NBC know, because if the MPAA isn't to sponsor, the network needs time to sell the Oscar show for commercial sponsorship," Kahane said.

Adoption of Canon 35 by the Okla. Supreme Court, prohibiting TV-radio newsmen from covering court proceedings with camera & mike, was protested last week by NAB pres. Harold E. Fellows and NAB freedom of information committee chmn. Robert D. Swezey. The ruling does not apply to the Okla. Criminal Court of Appeals, highest appellate body for criminal cases in the state, which in 1958 ruled that there is no basis for distinction among the various types of news media. In separate telegrams to Chief Justice Denver N. Davison, Fellows & Swezey urged reconsideration of the ban. Fellows said that "the experiences with broadcast coverage in your state clearly disprove the basic premises cited in your adoption of Canon 35." Noting that Canon 35 was adopted on the recommendation of the State Bar Assn., Swezey said that "such a decision is untimely in view of the study which has been initiated by the American Bar Assn. to determine whether Canon 35 should be amended in the light of the actual effect of broadcast coverage."

Ideal network schedule would include only 4 Westerns, bring back variety and stand-up comics and be heavily spotted with prime-time public-affairs programs, decided a panel of TV executives in N.Y. at the Academy of TV Arts & Sciences forum Oct. 5. Selecting the programs from 500 shows presented in prime time since 1950, were William F. Craig, v.p. for TV-radio programming, Grey Adv.; Michael Dann, CBS-TV v.p., network programs, N.Y.; Rod Erickson, v.p. for TV sales, Warner Bros.; Merrill Panitt, editor, TV Guide & editorial dir., TELEVISION DIGEST; Richard Pinkham, senior TV-radio v.p., Ted Bates & Co. The programs included *Victory At Sea*, *Arthur Godfrey's Talent Scouts*, *You Are There*, Milton Berle's *Texaco Star Theatre*, *Lincoln Presents Leonard Bernstein*, *Phil Silvers Show*, *Your Show of Shows*, *Omnibus*—most no longer on.

Short sponsor-life of network TV shows is the point of a *Sponsor* study which finds that only 34% of the 53 regularly scheduled newcomers in 1958-59 continued under 1959-60 sponsorship. Most tenacious at holding sponsors were Westerns & drama shows—7 out of 10 of the former and 2 out of 3 of the latter continuing. The poorest showing was racked up by the adventure category, with all 4 of its 1958-59 newcomers losing their sponsors. Other tenacity rates: suspense-crime programs, 3 out of 13; situation comedy & variety, each with 2 out of 8; panel-audience participation shows, 2 out of 7.

Auxiliary Services

Financially successful was TelePrompTer's all-day, 6-city simulcast last week (Vol. 15:30) to help the Govt. sell \$2.8 million worth of surplus material cached at 3 widely separated military posts. The closed-circuit TV auction helped the Govt. realize 17% of the cost of the goods against a hoped for 10% return, TelePrompTer said. The telecast—which cost \$81,000—enabled prospective buyers in N.Y., Boston, Philadelphia, Columbus, Chicago, and St. Louis to see (via 26 x 36-ft. projection screens) and bid on surplus goods in Philadelphia, Granite City, Ill., and Shelby, O. Last week also saw Theatre Network TV Inc.'s 20,000-mile closed-circuit broadcast to 50,000 people in 102 locations in the U.S. & Canada. It was put on for IBM, to introduce new data-processing gear to customers.

Paramount's International Telemeter and Jerrold Electronics have signed an agreement whereby Jerrold will engineer, manufacture and install distribution equipment for Telemeter closed-circuit pay TV. Jerrold has designed & is supervising construction of outside equipment for Telemeter's West Toronto, Canada, project, working jointly with Trans-Canada Telemeter and the Canadian Bell Telephone Co. Jerrold's participation in the Canadian pay-TV project was first reported here last June (Vol. 15:26).

Add closed-circuit uses: (1) Bronx (N.Y.) Veterans Administration Hospital uses Du Mont equipment to keep constant watch on the condition of patients during cancer radiation treatments. (2) Suffolk County (N.Y.) Air Force Base now uses GE closed-circuit cameras & 24-in. monitors to speed weather maps and conduct weather briefing to pilots all over the base simultaneously. (3) Wright Air Development Center, Dayton, uses a TV camera mounted on the outside of one of the turboprops of a C-133 cargo test plane to relay pictures of ice forming in the engine.

Texan Translator & TV Network Inc., the San Antonio company which began manufacture of uhf translators early this year and had planned to string a series of translators into a network from El Paso to Uvalde (Vol. 15:9), has sold its assets & business to Electron Corp., Richardson, Texas, for \$17,083. Electron, a manufacturer of closed-circuit equipment, announced it is assuming no liabilities or obligations of Texan Translator.

Combination TV system & torpedo-retrieving device will be designed & developed by Vitro Labs, Silver Spring, Md. under a \$140,000 Navy contract. The self-propelled unit, monitored by an operator on a surface vessel, will be guided to torpedoes which it will grasp by claws. It has an operating radius of 1,000 ft. in shallow water, 650 ft. at maximum depth.

Video-taped Japanese-language instruction is being offered weekly by the U. of Texas to interested students & Austin residents. The instruction is presented in classrooms via closed-circuit TV from tapes produced for a language-teachers' institute. Drills follow TV lessons.

Translator Grants: Ch. 70, Durango, Colo., to Durango TV translator; Ch. 70, Prescott, Ariz., to Tele-Video U. H. F. Bestrs.

"It took the telephone industry 87 years to achieve a circulation of 44 million homes; the radio industry, 32 years; and TV, only 13 years."—*Sales Management*.

New magazine for long-distance reception enthusiasts, *Journal of TV & FM DX*, is scheduled to begin publication next Jan. Editor-publisher: Robert B. Cooper, Modesto, Cal.

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WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Box 700, Radnor, Pa. MUroy 8-3940
JAMES T. QUIRK, *Business Manager*
JAMES B. DELEHANTY, *Asst. Business Mgr.*
MERRILL PANITT, *Editorial Director*
HAROLD B. CLEMENKO, *Managing Editor*
DAVID LACHENBRUCH, *Associate Editor*
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU
 Wyatt Building
 Washington 5, D.C.
 Sterling 3-1755
ALBERT WARREN, *Chief*
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU
 625 Madison Ave.
 New York 22, N.Y.
 Plaza 2-0195
CHARLES SINCLAIR

WEST COAST BUREAU
 6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210
DAVID KAUFMAN

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Personals: Henry W. Levinson named sales development mgr., ABC-TV . . . Lester Dinoff, ex-radio WMGM N. Y., appointed PR & publicity dir., WABC-TV N.Y.; Amram Nowak named asst. program dir. . . Leonard Gumley, ex-CBS studio mgr., appointed N.Y. operations dir., WNTA-TV Newark-N.Y., succeeding Bob Brunton, who is joining CBS . . . Edward A. Warren named program mgr., WGN-TV Chicago, succeeding Alexander C. Field Jr., appointed to new post of dept. of public affairs mgr., TV & radio . . . Ernest E. Stern, ex-ABC-TV Western div. adv., promotion & publicity dir., named press information dir., CBS-TV Hollywood, replacing Robert Blake, now CBS-TV West Coast dir. of special projects. Stern is succeeded at ABC by Elliott W. Henry Jr., ABC Central div. dir. of adv., prom. & press inform., James M. Ascher replaces Henry.

Marcel Carter promoted from management planning & personnel controller to administration & finance v.p., CBC; R. C. Fraser from PR dir. to corporate affairs v.p.; J. P. Gilmore from operations controller to engineering & operations v.p.; Charles Jennings from bestg. controller to regional bestg. gen. mgr.; R. P. Landry from administration controller to asst. to the pres.; Marcel Ouimet from bestg. deputy controller to gen. mgr., network bestg.-French; H. G. Walker from dir. for Ontario & English networks to gen. mgr., network bestg.-English.

Edward D. Podolinsky named Weed TV's Chicago office sales mgr.; Fred L. Edwards appointed mgr., St. Louis office . . . George G. Lindsay, ex-Weed TV, named TvB central div. dir., headquartering in Chicago; Edward H. Armsby, ex-Ketchum, MacLeod and Grove, appointed sales promotion & presentations dir. . . Walter B. Lake, mgr. of Daren McGavren Los Angeles office, named v.p. . . Frank P. Fogarty, v.p.-gen. mgr. of WOW-TV Omaha, named chairman of NAB subcommittee to prepare manual on TV-radio news coverage techniques for Freedom of Information Committee headed by Robert D. Swezey of WDSU-TV New Orleans.

Donald H. McGannon, WBC pres., named to the Adv. Federation of America board . . . Carl A. Russell, ex-Ziv TV, named ITC regional sales mgr.

Dr. Frank Stanton, CBS pres., will receive a special citation from the Radio-TV News Directors Assn. at its convention Oct. 16 in New Orleans for his efforts toward bringing about the amendment of Sec. 315 . . . Deane R. White elected engineering v.p., Society of Motion Picture and Television Engineers; Ethan M. Stifle named financial v.p.; Garland C. Misener, sections v.p.; G. Carleton Hunt, treas. . . Jack P. Blume, partner in Fly, Shuebruk, Blume

& Gaguine TV-radio law firm, recovering from mild heart attack, is expected to be in George Washington U. hospital, Washington 2 to 3 weeks.

Bill Palmer, ex-Price Waterhouse, appointed business mgr., KTLA Los Angeles, succeeding Stan Wainer, named Royal Industries (electronics firm) financial v.p. & secy. . . David W. Gottlieb named gen. mgr., Lee TV-radio stations & newspapers (KGLO-TV & KGLO Mason City, Ia.; KHQA-TV Hannibal, Mo.; WMTV Madison, Wis.; 41% of WKBT La Crosse, Wis.; radio WTAD Quincy, Ill.) Lee HQ is also moving from Mason City to Davenport, Ia. . . Thomas F. McCollum, sales promotion & merchandising dir., WXEX-TV & radio WLEE Petersburg-Richmond Va., named WXEX-TV operations mgr. . . Joseph A. Finley and Hollis V. Johnston elected A. C. Nielsen v.p.'s . . . Gilles Loslier named TV dept. dir., Trans-Ocean Radio & TV Representatives Ltd., Montreal . . . Graeme Zimmer, national sales dir., Continental Bestg. reps, elected v.p. of Continental & parent company Rollins Bestg.

FCC Comr. Frederick W. Ford and Mary Margaret Mahony were married Oct. 11 at St. Mary's church, Alexandria, Va. (Vol. 15:40).

Two major TV-radio figures were cited last week by syndicated columnist George E. Sokolsky to counter Khrushchev's statements that the U.S. is led by "capitalists" with wealthy backgrounds, as contrasted with himself—grandson of a serf, son of a miner. After describing the modest backgrounds of the parents & ancestors of President Eisenhower and Vice President Nixon, Sokolsky offered 2 more examples, RCA chairman David Sarnoff and CBS legal counsel Samuel Rosenman: "Dave Sarnoff was born in Minsk, which must have given Khrushchev a bit of a surprise. He now heads the Radio Corp. of America and is one of our most constructive citizens. Also present [at N.Y. Gov. Harriman's house to meet the Soviet premier] was Judge Samuel I. Rosenman, who wrote most of President Roosevelt's speeches. Although Sam was born in San Antonio, Tex., his parents were Russian immigrants . . . This country still is made up of men & women who build their own careers out of simple but decent & usually religious backgrounds."

The Gen. Sarnoff Medal, to be awarded for outstanding achievements in electronics, has been created by the American Institute of Electrical Engineers, it was announced by pres. J. H. Foote at the society's 75th anniversary meeting.

Obituary

John E. Doane, 47, FCC rules & standards div. engineer, died Oct. 5 of a heart attack while attending the Federal Communications Bar Assn. outing at the Manor Country Club near Washington. He joined the FCC in 1940, served as an inspector, chief of the FM branch and engineering asst. to ex-Comr. Mack. During World War II, he was a Navy lieutenant. Surviving are his widow and a son.

Einar A. Brofos, 76, retired v.p. of ITT subsidiary International Standard Electric Corp., died Oct. 1 in Great Barrington, Mass. Broadcasting industry pioneer Brofos established the first complete Scandinavian radio station—at Oslo, Norway in 1922. He is survived by his wife, a son, and 2 daughters.

Paul Jonas, 62, NBC radio sports editor, died Oct. 7 in Chicago where he was supervising World Series coverage.

William Bishop, 41, actor, died Oct. 3 in Malibu, Cal., of cancer. He once starred in the TV series, *It's a Great Life*. He is survived by his widow, parents and a brother.

Advertising

More about

PRO-PRINT PRESENTATION: Magazines do a better job than TV in reaching the buying market for a total of 18 household product categories ranging from cake mix to automobiles. That's the Magazine Advertising Bureau claim in the new presentation unveiled recently in N.Y. for magazine admen (see page 3).

One example cited by MAB is that of dentifrice advertising. On TV, says the bureau, the average evening show costs the sponsor \$94,000 to reach 7.8 million household heads whose value as a dentifrice market is about \$8 million. Using magazines, says MAB, the same number of households can be reached—but a better grade in terms of income level—and delivering a \$9 million dentifrice market at a price slightly more than 1/2 of the total TV costs. (Dropped from MAB's calculations: young viewers, who may swell the audience figures for TV, but who don't represent a market in most cases except for low-price, fast-turnover items, in MAB's estimation.)

Another aspect of magazines vs. TV that's due to be promoted by MAB this year is the "mood" created by print media, which readers must pay for as against free TV. "Magazines create a mood, which produces a psychological climate (which in turn, makes the reader more receptive to the advertiser's messages," said Richard E. Deems, exec. v.p. of Hearst magazines, at the MAB meeting.

The MAB presentation is already rousing considerable interest, and some ire, in TV research circles. When we asked one network research dir. what he thought of the study, he replied: "Magazines may well have a valid point when they say they reach an audience with a higher education level than TV, since TV is virtually a mass medium. But the MAB study appears to be research designed to show up the best points of print media, particularly in comparing 'split-second exposure' of magazine ads, however slight, with the more intensive exposure of commercials in nighttime TV shows."

"Goodwill" commercials on TV & radio by advertisers for legitimate purposes of public service or education are deductible from income taxes as business expenses, the Internal Revenue Service says in proposed new regulations. The proposed revision, clarifying 1956 IRS rules on institutional ads in all media, makes it plain, however, that firms which lobby for special legislation or engage in partisan politics in their advertising won't be able to deduct that expense. Comments on the proposals are due by Oct. 19.

Station Rate Increases

Station	Base Hour	Minute	Date
WRCV-TV Philadelphia	\$3200 to \$3700	\$825 to \$850 ¹	Sept. 15
KHJ-TV Los Angeles	1750 to 2000	400 to 500	Sept. 1
KCRA-TV Sacramento	1100 to 1200	275 to 300	Sept. 1
WISN-TV Milwaukee	1000 to 1200 ²	265 to 280	Aug. 15
WTOL-TV Toledo	900 to 1000	200 to 250	Sept. 1
WREC-TV Memphis	900 to 1000	200 to 240	July 1
WHEC-TV & WVET-TV Rochester	800 to 900	180 to 220	Oct. 1
WDBJ-TV Roanoke	600 to 700	140 to 190	Sept. 1
KMJ-TV Fresno	650 to 700	175 to 190	Sept. 1
WTVH Peoria	500 to 600	100 to 120	Aug. 1
KCRG-TV Cedar Rapids	500 to 550	90 to 120	Aug. 15

Note: WLUK-TV Green Bay, Wis. has replaced Aug. 1, 1959 rate card with card No. 5 dated Aug. 15 which cuts base hour from \$600 to \$500, with min. remaining \$120.

¹ 20 Sec. only. ² New Class AA (6:30-10 p.m. daily), Class A hour changing from \$1000 to \$800.

"World-Image" Needed: There's going to be "an explosion upward in the world economy," and the problem of world-wide advertising must be approached "with a method, not with a conclusion or a conviction," Sylvester L. (Pat) Weaver, chmn. of McCann-Erickson International told members of the Assn. of National Advertisers gathered for an international advertising workshop in N.Y. Oct. 8.

In another ANA talk, Minn. Mining & Mfg. exec. v.p. & marketing dir. Louis F. Weyand pointed out some of the situations in foreign TV that must be faced in advertising American products marketed abroad. In Italy, he said, there is a system of buying into one 20-min. commercial break per broadcast day, while in Sweden, as in many other countries, it is against the law to have commercials because of government control of broadcasting. In Finland, however, where 3-M sponsors Ziv's venerable *Cisco Kid*, Weyand's firm is allowed more commercial freedom than in the U.S. "In the commercial at the end," said Weyand, "the *Cisco Kid* runs in and says 'if you want to be like me, use Scotch Brand cellophane tape.'"

Newspapers' "image" is more favorable than that of TV-radio's, claims a year-long study recently completed in the Richmond, Va., area by the research dept. of Richmond Newspapers, Inc. The inquiry also found that TV & radio create generally the same public impression. Of 9 attributes checked, newspapers outscored TV & radio by wide margins in 7—"intelligence," "attractiveness," "credibility," "morality," "courage," "reliability," "equity." TV was front-runner in 2—"warmth" & "unprejudiced." Newspapers made their worst showing in the latter category, trailing both TV & radio. Other findings: 52% of respondents with grammar-school education said TV today is more interesting than it was a year ago; only 31% of college-educated respondents agreed. Newspapers got 71% of the votes for "most honest advertising," compared with 8% TV, 2% radio, 19% "no difference."

Newspapers will be replaced by TV as the leading medium for petroleum-product advertisers in 1959, predicted Norman E. Cash, TvB pres., last week to American Petroleum Institute meeting in Colorado Springs, Colo. His figures: Gasoline advertising in newspapers declined from \$32,257,000 in 1956 to \$28,613,000 in 1958, while in TV it jumped from \$20,228,000 to \$27,611,000, with the TV outlook in 1959 for over \$30 million. As one success example, Cash cited Chevron Supreme which, starting from scratch, climbed to high place among 19 gasoline brands in N.Y. with the aid of a cartoon spot campaign which got 33% more of Chevron's budget than any other ad medium.

People: Paul Smith, pres. of Calkins & Holden before its merger with Fletcher D. Richards, appointed supervisor & dir. of Fletcher Richards, Calkins & Holden creative activities, continuing as vice chmn. & plans board chmn. . . . Henry W. See elected BBDO v.p. . . . Donald M. Smith, ex-Kenyon & Eckhardt, appointed v.p. & special asst. to the pres., Donahue & Coe . . . Ernest Ricca named mgr., Doherty, Clifford, Steers & Shenfield Los Angeles office . . . Gilbert J. Supple named adv. dir., Shulton Inc., succeeding Walter P. Lantz, appointed mkt. research dir. . . . Edmund H. Rogers Jr., N. W. Ayer Hollywood, named v.p.

Horace Schwerin will address the Best. Adv. Club of Chicago Oct. 14 on "Why Has TV Research Become the Enemy of Sound Judgment?"

Obituary

Norman W. Levally, 54, Leo Burnett v.p., died Sept. 22.

Film & Tape

SHYING AWAY FROM SYNDICATION: Some Hollywood producers have become increasingly wary of the syndication field. They prefer a network showcase—in which they usually get all or most of their production costs back, with the reruns representing profit.

Originally Ziv TV produced its telefilm series for syndication only. But a few years ago the pioneer company began aiming a number of entries each season at network showings. Four Star Films dabbled briefly in syndication, but pres. Dick Powell prefers his series on networks—and that's the emphasis at Four Star today. It produces not a single series for syndication. Revue, kingpin of Hollywood independents, puts the bulk of its production into network series.

Recently, Phil Krasne, California Studios pres., who, with his onetime partner Jack Gross, was one of the first producers in syndication, deserted it to gamble up to \$800,000 on 13 pilots aimed at the networks. When we asked Krasne why he was undertaking the most hazardous gamble in TV—pilot-making—rather than continuing to turn out syndication series, he had some quick answers:

"When we first got into the business of syndication, it was pleasant & profitable. But it has been getting more difficult & complex for the past 3 years. A producer with a good-budget show can almost never recoup his cost on the first run. Formerly we could do fairly well on reruns, but that business became rougher, primarily because the playing time we used to get is now taken by feature movies.

"Independent stations have stopped buying TV-film shows on speculation and then finding a sponsor. That's because many were stuck with unsold shows and they are now using a large part of their program budget on features. So getting money out of reruns in syndication is a hard sell. The market isn't gone, but it's become time-consuming & difficult. You're caught in a dilemma. Every sale is a project. You have to find a local sponsor for your show in each market—and the only way you can do that is to come up with a top quality show. The cost of quality, plus 35% off for cost of sale, makes it almost impossible to rack up enough gross to make a profit. You have to outguess the ever-changing sales market, and retool your sales technique constantly."

Krasne acknowledged that his pilot project is "highly speculative," but he sees no profit in syndication except with low-budgeted shows. "We used to wrap up \$500,000 in sales contracts on a series in a few weeks. Today in those same markets you have to find an ad agency that will let you try to convince the sponsor he should buy. It's not the same," he lamented. Syndication has become a buyers' market, and today's buyer pays less for film shows than he did 7 years ago, although production costs are up 50-100%.

If Krasne's pilot doesn't sell nationally, he intends to spot-book—i.e., find an important sponsor who can't use network because his product doesn't sell in all markets, but who will spend more than a million for the markets in which he is interested. Krasne pointed to *Death Valley Days* as an example of a series which is neither network nor syndication, but spot-booked, with one sponsor—U.S. Borax & Chemical Co.—paying the production costs. Samsonite Luggage is another sponsor of this type.

The producer has other safety valves for his 13 pilots should they remain unsold: to present them as a summer anthology series, or to produce 26 more for a 39-week series. He is aiming his first project, *Rogue for Hire*, for a year-end sale, the others for next year.

Have Had-it, Will Travel: There was producer turnover in Hollywood last week, with one of them leaving a series because he was "bored" with it. CBS, looking for a troubleshooter to help out on its *Hotel de Paree*, talked Sam Rolfe into leaving *Have Gun, Will Travel*, to take over the new Western. (Stanley Rubin, who has been producing "Paree," will produce 10 taped *GE Theater* shows for CBS.) Rolfe, who gets a better participation deal on "Paree," told us, "After 2 years of Have Gun, I was bored. We had 22 shows in the can and no problems. Other shows need help. I am now renegotiating a new deal with CBS, which will involve other properties as well." But sources with the series told us star Richard Boone was unhappy with the scripts he was getting, had noted unwelcome departures in his characterization and refused to do at least one given him. (To replace Rolfe, CBS picked Ben Brady, ex-*Perry Mason* producer.)

Meanwhile, over at Screen Gems, Herb Meadow, who was originally signed to produce 26 episodes *The Man from Blackhawk*, is leaving in a few weeks, after finishing 13. Explained ex-writer Meadow: "The producer grind is too tough. I worked every day from 6 a.m. to midnight. There's no time to do anything or see my family. It's exhausting mentally. I'm returning to creative writing."

Revue Expands: Revue Studios, the former Universal-International lot, has a new look these days. Virtually completed construction of 4 new stages brings the Universal City lot to a total of 27. UI had found its 21 stages ample for movie production even in the years before the cinema's downward spiral, but when Revue took over the lot last spring, following its purchase by MCA, construction of additional stages started quickly.

And while several independent TV-film companies had rented space from UI, not one is located there today, unless it's involved in a co-production deal with Revue (such as Jack Chertok's *Johnny Midnight*). Back in 1951, this same Revue rented 2 stages from Eagle-Lion, the studio later acquired by Ziv TV. At that time Revue had one series. Today it has about 16.

Film's Literary Link: The list of film series linked with books, both hard-cover & pocketbooks, has been lengthening—to the gratification of producers, who believe the extra promotion should aid their ratings. For months a good seller has been 77 *Sunset Strip*, a collection of 3 short stories by Roy Huggins, one of which served as the basis of the Warner Bros. series. Last year saw publication of *Dragnet* and *The Badge*, by Jack Webb. There are also books on *The Lineup*, *Dennis the Menace*, and *Dobie Gillis*. (Plans are current for plugs of the last-named book on the Groucho Marx, Art Linkletter and Goodson-Todman shows, among others). Also there are an Alfred Hitchcock pocketbook, the Erle Stanley Gardner's multiple *Perry Mason* books, the Mickey Spillane private-eye stories. Joining them this season is the Goodson-Todman private-eye hero, *Philip Marlowe*, based on the Raymond Chandler character. Indirect beneficiaries of authors' works are Dick Powell's *Zane Grey Theatre* and 20th-Fox TV's *Adventures in Paradise*, the latter having been inspired by James Michener, author of *Tales of the South Pacific*.

Desilu Productions has signed Joseph Shafiel to produce 2 episodes of *The Untouchables* . . . Crosby-Brown Productions has named Joe Porter, ex-NTA Films, south-eastern sales rep.

NEW YORK ROUNDUP

Screen Gems-Columbia Pictures took another step toward the everything-under-one-roof type of TV-movie operation by acquiring on Oct. 8 the non-performing rights (including use in TV soundtracks) to the music catalog of Broadcast Music Corp., the publishing offshoot of BMI. The music copyrights will go to a new Columbia Pictures music-publishing subsidiary, Gower Music Corp., headed by Jonie Taps, who's also in charge of other music activities for the picture company (such as Colpix Records, music used in Screen Gems and Columbia Films). Parent BMI will retain the performing rights to the music copyrights.

Brigitte Bardot, France's answer to low blood pressure, who's been seen only briefly on U.S. TV (a few old movies, appearances on *Ed Sullivan Show* & Paris-junketing *Today*) will star in a Timex-sponsored network special to be produced by Screen Gems. How Screen Gems bagged the sought-after star is an interesting story. About 4 years ago, Columbia Pictures offshoot Kingsley International was the only U.S. picture distributor who thought it worthwhile to import the films of the new starlet. Parent Columbia soon spotted her as a winner, and gave her theatrical films the deluxe import treatment. The financial romance has finally paid off—in TV.

Unique use of NBC-TV's *Riverboat* to plug 6 Best Foods products via regional cut-ins adds extra line charges & film expenses to the advertiser's time costs, but gives BF's regional products exposure on a first-run major-network series. Heretofore these brands (Mazola, Skippy, Hellman's, Nusoft, Karo, Niagara) were limited to syndicated-film or local programs. BF, whose sponsorship is for alternate weeks only, has authorized NBC to sell short-term contracts for alternating weeks with the stipulation that there will be no exchange of commercial cross plugs.

Change of heart at NBC: Softening a stand to de-emphasize ratings (Vol. 15:38), NBC-TV last week circulated a research bulletin pointing up the high scores the network's Wed. night lineup received in the Sept. 30 Arbitron multi-city report. NBC outscored the other 2 networks (7:30-11 p.m.) in both rating & share of audience, emerging with an all-evening weighted average rating of 23.7 and an audience share of 48.0 against a combined CBS-ABC rating of 18.2 and 36.8 share.

Programs in the works: Actor John Payne is mapping out a series titled *The Weapon Masters*, based on civilian intelligence work overseas. CBS staff producer Albert McCleery is developing a weekly 60-min. film show *New York 21, N.Y.* which follows the adventures of staffers on a weekly news magazine.

Joseph F. Kilmartin has joined Transfilm-Caravel as v.p. in charge of business program services . . . Carl A. Russell, ex-Ziv TV, named mgr. of regional sales, ITC.

Last word of *The Last Word* may be heard Oct. 18 when the 3-yr.-old Sun. afternoon word game is to be dropped from the CBS-TV lineup in favor of football coverage. No post-football-season date has been set to resume the sophisticated word-usage discussions.

J. Walter Thompson had cause to blush following the premiere of client Ford's *Showtime* on NBC-TV Oct. 6. Two chorus boys, in a collegiate musical number, had stood side by side sporting school letters which read, left to right, "Y" and "R".

HOLLYWOOD ROUNDUP

Because of the adverse reaction to *Adventures in Paradise*, disturbed ad agencies associated with the series have asked 20th-Fox production chief Buddy Adler to do something about improving the series. Although his function normally is to supervise production of the studio's movie output, Adler said: "I have agreed to step in during the transition period, before Martin Manulis moves from TV to movie production here. I will supervise future segments of 'Paradise' and give them advice." He added that he will take a more active interest in the studio's TV operation henceforth. "Pete Levathes is in charge of our entire TV operation, but I will oversee it all from a policy viewpoint," he said. He added he hopes to find a replacement for Manulis soon.

Revue Productions' newest pilot is *Love & Wahr*, created by Roland Kibbee and Danny Arnold. The comedy-adventure series is still being cast and the pilot will roll in late Oct. . . . CBS is preparing *The Vigilantes*, a 60-min. series for next season, set in San Francisco of 1856.

Screen Gems' newest series planned for the 1960 season is the 60-min. *Man Alive*, being written by Richard & Mary Sale, under the supervision of production v.p. Harry Ackerman. No pilot will be made, SG seeking instead to sell the show from its prospectus & scripts.

Arnold Schulman Productions has been formed to produce TV films, movies and plays . . . Producer Nat Nigberg is negotiating for syndication distribution of his 60-min. Country America music series.

MGM-TV has signed Richard Bare as producer-director of a new 60-min. series, *The Islanders* . . . 20th-Fox TV has renewed the contract of Dominick Dunne, exec. producer of *Adventures in Paradise*.

Herts-Lion International has signed producer-writer-director Curt Siodmak to work on several projects, as well as develop & produce some of his own series. The first will be *Skyport* . . . Walter Hanley of MCA's N.Y. office has been named head of business affairs for Revue Productions . . . CBS Films opens its Coast production office this week at 1313 N. Vine, Hollywood.

Bing Crosby, Dean Martin and Mitzi Gaynor were working at 20th-Fox last week—but not in movies. They were rehearsing Frank Sinatra's ABC special with him, inasmuch as Sinatra can't get away from his movie, *Can Can*, to rehearse at ABC . . . *General Electric Theatre* host Ronald Reagan draws approximately \$150,000 a year for his TV chores.

Jack Douglas Productions has signed Warner Bros. publicist Bob Palmer as one of several producers on his *Sweet Success* TV series . . . Gordon Kay, Universal-International producer, has been signed by Revue Productions as producer of *Riverboat*. Jack Emanuel, Warner Bros. story ed., has obtained a release from his contract and left the studio . . . Crosby-Brown Productions has named Karl von Shallerl midwestern sales mgr.

Big rerun volume during the summer months brought a record \$100,680 in residuals to Screen Directors Guild members for Aug. SDG exec. secy. Joe Youngerman reported collections for the first 8 months of this year were \$506,512, a greater total than any previous 12-month period. Since SDG began collecting residuals in 1954, it has received \$1,675,269.

Trade Report

OCTOBER 12, 1959

SECOND TYPE OF 23-in. TUBE MAKES DEBUT: A new 23-in. tube, with 114-degree deflection and without the bonded-on implosion plate, will be offered to set makers within a couple of months. At least one manufacturer—GE—plans to use it.

Sampling of tube makers with the new Kimble-designed bulbs will be complete this week. Dimensions of face plate are identical to 23-in. "twin-panel" bulb being produced by both Corning & Kimble—but new tube is 1½ lb. heavier than twin-panel unit and can be used with conventional external safety glass.

Most interesting feature of new tube is its 114-degree deflection—widest angle of any production TV tube (its sister twin panel has 110-degree). Made possible by new neck design, wide-angle tube uses regular 110-degree deflection components and is slightly shorter than twin-panel 23-in. tube.

New 23-in. tube will be cheaper than the one now in use—but how much cheaper isn't known, and, of course, external safety glass will be required. Corning apparently has no plans to emulate its competitor, Kimble Glass, and produce similar bulb. Except for GE, set makers haven't made up their minds whether to use 23-114 tube (as new design is nicknamed), but Zenith & Westinghouse are both known to be interested in such a conventionally designed tube with the new shape screen.

New development is forerunner of a really eagerly-awaited new tube size—the 19-in. square-corner tube, for which Kimble expects to supply bulbs. Engineering problems (such as structural strength) have been solved in the development of the 23-114, Kimble officials tell us, and demonstrate that 19-in. is practical without bonded safety glass. Set makers are interested in this size for step-up portables.

There will be hold-up in production of 19-in. bulbs, though. Five-week-old strike of glass-mold makers precludes the manufacture of any new glass molds now. Molds for 23-114 were completed before strike.



Some tube makers are excited about the new 23-114. It's much easier to build than the twin-panel 23-in., can be made using conventional picture-tube-building equipment. It's no secret that some of them have been losing money on the twin-panel 23-in., because of the high rejection rate involved in the implosion-plate-bonding process. However, this shrinkage rate can be vastly improved with experience, they tell us.

Set makers thus have a new way to achieve the "new shape"—and whatever the advantages or disadvantages of the two 23-in. types, more manufacturers will soon be hopping on 23-in. bandwagon.

Two 23-in. pioneers—Admiral & Sylvania—tell us they are back-ordered on these sets. Admiral says its 23-in. units—higher priced than the 21's, now comprise about 30% of its TV sales. Says Sylvania Home Electronics pres. Robert L. Shaw: "Despite increased production schedules, we still are unable to fully satisfy distributor needs in our new line, due primarily to the tremendous acceptance of our 23-in. sets." Except for portables, Sylvania's entire line uses 23-in. tubes only.

6-MONTH JAPANESE IMPORTS EXCEED ALL 1958: If you have any doubt that the Japanese mean business—and are succeeding fabulously—in the sale of electronic equipment in the U.S., study the tables on pages 17 & 18. They're the latest available—from 2 different official sources—and here's what they show:

Japanese exports of electronic equipment to the U.S. in the first half of this year exceeded those of the full year of 1958—\$22 million from Jan. to June 1959 vs. \$21.8 million for all of 1958—in terms of factory value. (Tables No. 2 & 3 show slightly lower totals because of different sources.) The Jan.-June 1959 figures are nearly triple those of 1957.

Imports of radios for the first half of this year were about equal in number & dollar volume to the figure for all of 1958. Phono imports still don't amount to much (5,921 during first half), but they are up about threefold from full-year 1958. Six-month tube imports are double the 12-month 1958 figure, and imports of transistors have increased 80 times.

About one half of Japan's electronic exports went to the U.S. during the first half of this year vs. 46% in 1958, 39% in 1957 and 34% in 1956.

The table below shows Japanese exports of electronic equipment to the U.S. for the first half of 1959 compared with full years 1956, 1957 & 1958 by product categories. It was compiled by the Commerce Dept.'s Business & Defense Services Administration on the basis of data supplied by the U.S. Embassy in Tokyo. Conversion to dollars is based on the rate of 360 yen to \$1, or \$2.778 to 1,000 yen.

U.S. IMPORTS OF JAPANESE ELECTRONIC PRODUCTS

1956-1958 and January-June 1959

Product	Quantity in thousands of units				Value in thousands of dollars			
	1956	1957	1958	Jan.-June 1959	1956	1957	1958	Jan.-June 1959
Radio receivers	368	641	2,507	2,183	2,646	5,294	17,904	17,584
Phonographs	—	1	2	6	—	7	59	149
Sound recorders & reproducers ..	*	1	8	7	5	109	449	363
Amplifiers	†	†	†	13	†	†	†	151
Microphones	33	137	80	80	73	276	177	156
Speakers	40	113	129	132	75	293	420	453
Condensers	281	1,974	6,166	3,454	26	169	288	203
Receiving tubes	†	†	†	2,079	†	†	†	511
Other electron tubes	3	14	1,238	189	7	8	314	47
Transistors	*	1	11	823	4	1	7	521
Other semiconductor devices	†	†	†	280	†	†	†	42
Phono parts & accessories	—	—	—	—	165	646	757	389
Other electronic products	—	—	—	—	298	779	1,400	1,532
TOTAL	—	—	—	—	3,299	7,582	21,775	22,101

* Less than 500 units.

† Not shown separately.

These tables show monthly 1958-1959 figures on U.S. imports from Japan in various product categories. The table below also lists Jan.-June 1958 totals in each category for comparison purposes. The table on p. 18, detailing Jan.-June 1959 exports to the U.S., is a breakdown of radios by type. These figures were compiled by us from official Japanese trade sources in the U.S., using a conversion rate of \$2.80 to 1,000 yen.

U.S. IMPORTS—SELECTED JAPANESE ELECTRONIC ITEMS

1958

Month	RADIOS		PHONOS		TUBES		TRANSISTORS		TOTAL \$
	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Electronics—Communicat'ns
January	34,431	\$285,264	0	—	5,120	\$1,644	1,600	\$899	\$394,881
February	62,649	561,316	0	—	245	2,593	0	—	674,618
March	102,628	852,320	0	—	11,624	3,979	0	—	1,054,486
April	147,213	882,132	0	—	35,610	11,371	0	—	1,112,868
May	131,249	751,988	3	\$101	14,422	4,771	0	—	985,286
June	193,526	1,039,965	55	1,828	88,568	23,873	150	\$204	1,278,110
July	208,319	1,240,898	200	6,658	189,647	48,700	109	160	1,454,404
August	236,028	1,651,874	825	25,777	35,195	13,642	2,109	1,252	1,888,177
September	309,021	2,081,881	30	938	210,638	46,065	1,419	874	2,303,552
October	474,110	3,546,178	297	10,738	304,162	79,276	1,474	969	3,901,699
November	353,088	2,882,544	343	12,468	130,275	31,811	918	543	3,101,619
December	254,258	2,269,341	41	1,322	197,760	48,524	2,841	2,120	2,542,865
1958 TOTAL	2,506,520	\$18,045,701	1,974	\$59,830	1,223,266	\$316,249	10,620	\$7,920	\$20,692,570

1959

January	169,991	\$1,424,503	19	\$515	178,148	\$44,570	1,229	\$960	\$1,641,707
February	351,467	2,737,442	1,003	29,005	73,350	21,039	1,680	1,142	3,044,344
March	373,895	2,809,089	798	13,689	476,475	128,383	38,870	27,434	3,287,110
April	387,245	2,906,786	1,125	29,632	462,892	93,151	72,054	45,388	3,441,878
May	446,734	3,552,620	1,609	33,082	512,849	130,889	250,594	155,369	4,487,084
June	453,718	4,294,747	1,367	44,145	564,238	144,077	458,333	294,913	5,470,867
JAN.-JUNE 1959	2,183,050	\$17,725,187	5,921	\$150,068	2,267,952	\$562,109	822,760	\$479,818	\$21,372,990
Jan.-June 1958 ..	671,696	\$4,372,985	58	\$1,929	155,589	\$48,231	1,750	\$1,103	\$5,500,249

U.S. IMPORTS OF JAPANESE RADIOS, 1959

By Category

(includes re-exports to Latin America)

Month	TUBE RADIOS		3 OR MORE TRANSISTORS		LESS THAN 3 TRANSISTORS		TOTAL RADIOS	
	Units	Cost	Units	Cost	Units	Cost	Units	Cost
January	15,835	\$108,847	84,334	\$1,245,628	69,822	\$70,028	169,991	\$1,424,503
February	34,220	192,839	179,618	2,432,119	137,629	112,484	351,467	2,737,442
March	33,177	174,583	172,397	2,492,790	168,321	141,716	373,895	2,809,089
April	25,543	129,044	196,109	2,651,387	165,593	126,395	387,245	2,906,786
May	46,367	277,698	232,852	3,137,330	167,515	137,592	446,734	3,552,620
June	28,207	127,574	288,875	4,014,976	136,636	152,197	453,718	4,294,747
Jan.-June 1959	183,349	\$1,010,585	1,154,185	\$15,974,230	845,516	\$740,412	2,183,050	\$17,725,187

Note: On the heels of OCDM's announcement that it will investigate EIA's complaint that imports of Japanese transistors are undermining electronics industry's defense capacity (Vol. 15:40), Japanese govt. announced last week that it plans to "control" shipments of transistor radios to U.S.

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 2 (39th week of 1959):

	Sept. 25-Oct. 2	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	192,383	183,441	121,495	4,505,158	3,572,189
Total radio	467,129	411,956	309,574	10,928,405	7,686,197
auto radio	183,656	146,979	103,299	4,152,146	2,383,551

THE COMPONENTS OF UNCERTAINTY: The leaders of the 10-year-old industry which launched both hi-fi & stereo are worried about the future. The hi-fi components industry, holding its biggest annual promotional fling last week—the N.Y. High Fidelity Music Show—was wondering just where it goes from here.

Topkicks of many of the firms exhibiting at the show conceded that business this year hasn't been as good as last—though almost all expect a fall pickup. Joseph N. Benjamin, pres. of the Institute of High Fidelity Mfrs. and head of Siegler Corp.'s Bogen-Presto div., predicted total retail hi-fi component sales of \$300 million this year in a statement at the show's opening. This would be a 15% gain over last year's \$260 million, he said.

Like the others, though, he admitted "the first half of 1959 was slow," adding that this was mainly due to heavy dealer inventories. The \$300-million figure is more of a guesstimate than anything else. IHFM officials admit it's impossible to collect statistics from the hundreds of small-business firms in the hi-fi components industry, and they're hazy as to exactly what that figure really represents.

Whether the "package hi-fi" boom has hurt or helped component hi fi is also subject to debate. Nevertheless, each year sees more component manufacturers emulating the package people. Such companies as Pilot & Fisher have offered pre-packaged hi-fi rigs in good furniture cabinets for several years, and they're stepping up their efforts now, joined by others—for example, Sherwood. Newest & biggest recruit to this packaged-components approach is Stromberg-Carlson, which has launched a huge ad campaign for its "integrity series"—a complete line of fine-furniture stereo. Its package line is almost as big as any package hi-fi manufacturer's, except that it lacks such lo-fi items as portables.

Very theme of hi-fi show betrayed nervousness of component makers—"Decorate your home with music." Keynote was set by special decorator-designed rooms, designed around stereo component sets, based on the idea that the hi-fi enthusiast can select his own beautiful cabinet and install components. Except for one ultra-modern room

setting, no "machinery" was showing in any of the sample rooms—no gold-plated escutcheons, no cables to be seen, just pretty furniture.

Along with the furniture worry goes the speaker problem. Package stereo makers unanimously report the demise of the multi-cabinet set. Building surveys find that living-rooms are getting smaller. Yet component makers continue to stress that you can't compromise stereo, and must have 2 separated speakers for best reproduction. Some of them fear that potential customers have been wooed away by the siren song of the package manufacturers, who are selling them on stereo as a single-cabinet item via huge ad campaigns.

Then there's the enigma of the audiophile. Component hi fi's basic appeal has long been to consumers who are conversant with such terms as peak power output, decibels, distortion, etc. If manufacturers eliminate or soft-pedal this jargon to attract a broader market, will they alienate their basic customers who want to know the exact specifications of the equipment? Dealership in component hi fi today is largely limited to enthusiasts who dig the technical jive. Should the market be broadened by adding furniture stores, dept. stores and other outlets where non-technical salesmen can't even understand—much less sell customers—the technical merits of the equipment?

No component manufacturer is willing to predict that the component hi-fi industry will adopt most of the packaged hi-fi industry's practices, but this seems to be the direction in which the industry is headed today.

A survey of business in the package hi-fi field will be featured in TELEVISION DIGEST next week.

■

"Standard Methods of Measurement for Amplifiers" has been published by the Institute of High Fidelity Manufacturers. The booklet is the 2nd in a series designed to establish measurement standards for hi-fi components, a booklet on tuners having been released earlier this year. The standards were prepared by the Institute's subcommittee on amplifiers, headed by Richard Shottenfield, Pilot Radio. Copies of the booklet are available for \$1 each from the Institute at 125-E. 23 St., N.Y.

TV-RADIO SALES & OUTPUT: Retail sales of TV & radio again were substantially ahead of 1958 in August, widening still further the gap between year-to-date cumulative sales figures in 1959 & 1958, official EIA statistics show.

TV retail sales in Aug. totaled 492,449 sets, ahead of the figures for both July 1959 & Aug. 1958, while cumulative sales for the first 8 months of 1959 totaled 3,126,981 vs. 2,862,452 in the comparable 1958 period. TV production for 1959 to date has increased at a greater rate than sales—453,539 more sets were made than sold during the period, as compared with a difference of 88,003 in the same 1958 period. In Aug., 32,847 TV sets were built with uhf tuners, compared with 21,022 in July 1959 & 38,166 in August last year.

Here are EIA's monthly TV-radio production & sales figures for the first 8 months of 1959, compared with 1958:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	370,413	448,727
March	494,032	425,749	416,903	416,756
April	389,251	263,998	302,559	243,132
May	431,911	279,536	266,982	237,189
June	571,003	344,795	377,090	250,362
July	350,360	370,575	274,999	279,010
August	547,445	492,449	507,526	405,790
TOTAL	3,680,520	3,126,981	2,950,455	2,862,452

* * *

Radio sales at retail in Aug. totaled 671,713, excluding auto sets, compared with 526,827 sold in July & 628,840 in Aug. last year. For the Jan.-Aug. period, 1959 retail sales totaled 4,357,421 compared with 3,806,519 (excluding auto) in the 1958 period.

Radio production in Aug. totaled 1,009,423 (including 279,424 auto sets and 42,866 FM radios). Comparable figures: July, 829,035 radios (254,725 auto, 24,553 FM); Aug. 1958, total of 981,394 radios (242,915 auto, 21,335 FM). Cumulative Jan.-Aug. output totaled 8,946,044 (3,434,345 auto, 290,862 FM) in 1959, against 6,193,529 (1,893,813 auto, 134,653 FM) in 1958—FM set production more than doubling 1958's figures.

Trade Personals: Charles J. Hirsch resigns as v.p. & director of research, Hazeltine Research Corp. to become admin. engineer on the staff of RCA engineering v.p. Dr. George H. Brown. During his 18 years with Hazeltine, Hirsch has served on many industry committees, including NTSC which formulated TV standards, and NSRC which currently is developing stereo radio standards . . . Joseph F. Murray, ex-personnel mgr., named field operations v.p., govt. services, RCA Service Co.; William J. Zaun, ex-operations mgr., named new projects v.p., govt. services, RCA Service Co.

Wells R. Chapin, formerly with GE, named to new post of mktg. mgr., Dage TV div. of Thompson Ramo Wooldridge . . . Richard Montmeat, TV set designer, named to head new combined GE TV-radio div. industrial design activity . . . Charles A. Nichols, ex-Hoffman, named Conrac engineering mgr. . . Lt. Cmdr. Harold R. Walker (USN ret.) appointed chief engineer, Blonder-Tongue Labs special products div. . . George A. Strichman, ex-Raytheon and GE, named pres. of ITT subsidiary Kellogg Switchboard and Supply Co.

Edward J. Keenan named RCA Institutes home study dir., succeeding the late Max S. Feldman . . . Myron R. Howe, ex-Martin-Orlando, Craig Systems and Raytheon, named Du Mont Labs military electronic operations management services mgr.

LEAR IN PICTURE-ON-WALL RACE: Another entry in the contest to develop a flat, non-vacuum-tube display device for TV is Lear Inc., Santa Monica, Cal., which believes it has a new approach to an electroluminescent picture-on-the-wall screen.

Lear isn't giving out much information—it's "much too early," and its development of TV picture-display hardware may well depend on Navy & Air Force contracts, financing for which is anticipated but not yet finally approved. These contracts will be for development of a flat transparent screen for use by aircraft pilots.

As anticipated by Lear officials, the electroluminescent panel will be about one-eighth-in. thick, with better definition & brightness than picture tubes. Lear exec. v.p. K. Robert Hahn told us last week that it will operate on a "basically different principle" from other electroluminescent display panels now being developed.

Most of Lear's electroluminescence work has so far been devoted to development of phosphors—now complete. Hahn said that models of TV display screens should be completed within 6 months after the financing of the military contracts.

Most TV industry engineers feel that it will take 3 to 6 years following development of a successful flat-panel-screen design to evolve a usable, producible and realistically-priced TV version. Among other companies working on electroluminescent display devices are GE, RCA, Sylvania and Westinghouse.

Progress Toward FM Stereo: Agreement by proponents of 3 different FM stereo broadcasting systems—GE, Philco & Zenith—was reported last week by Charles J. Hirsch, chairman of Panel 1 (system specifications) of the National Stereophonic Radio Committee.

In a progress report at the Audio Engineering Society convention in N.Y. last week, he said the 3 proponents of basically similar systems (FM systems using AM subcarriers) had reported these preliminary findings: GE system provides the least expensive stereo performance because the receiver does not need to reconstruct the subcarrier. Philco & Zenith "are expected to provide superior monophonic & stereophonic reproduction [although] the receivers are more complicated . . . There appears to be little to choose between Philco & Zenith in performance."

After the report, Philco withdrew its proposed FM system, saying that its advantages over the other systems weren't sufficiently great to warrant prolonging of the NSRC debate. The receiver panel (Panel 4) will be asked to evaluate the complexity of the receivers.

The proponents of FM systems with FM subcarriers—Crosby, Halstead & Calbest—hadn't yet reported on their discussions at press time.

Hirsch also reported that Panel 6 (subjective tests), delayed in getting started because of failure to find adequate test facilities, has finally obtained lab space and facilities—courtesy of Bell Labs. This panel is charged with making actual "listening tests" of the various proposed systems.

After this week's (Oct. 14) meeting of Panel 1, Hirsch will resign as chairman, to be succeeded by vice chairman William T. Wintringham, Bell Labs. Hirsch joins RCA Oct. 19, leaving his Hazeltine post (see Trade Personals). RCA is no longer a member of NSRC, having resigned on the advice of its attorneys because of its concern over possible anti-trust implications in belonging to such an intra-industry group (Vol. 15:12).

Finance

Million-Dollar Middleman: Some key Paramount stockholders are griping about the distribution deal whereby MCA is the exclusive TV sales outlet for the pre-1948 Paramount feature backlog, we were told last week by a Wall St. analyst specializing in movie-TV investment. The dissatisfaction is not with MCA's sales efforts so far, since MCA has booked the feature package, with little trouble, into more than 60 markets for a total gross of over \$64 million, said our source. What has reportedly aroused stockholder ire is that MCA is realizing a handsome profit at a fairly rapid rate, while Paramount's share of the take is coming much more slowly. In short, some Paramount shareholders now question whether Paramount should have relinquished what has turned out to be a hot feature package to a middleman, rather than attempt a do-it-yourself distribution that would have bolstered Paramount's earnings & share values.

Under the Paramount-MCA contract, MCA subsidiary EMKA Ltd. bought the 700-picture pre-1948 Paramount feature library in Feb. 1958 for a minimum of \$35 million (\$10 million cash, \$25 million in fixed installments). Another \$15 million (bringing the grand total to \$50 million tops) goes to Paramount on a contingency basis, providing contracts written by MCA exceed \$51,250,000 before 1974.

Something like 14 years ahead of schedule, MCA has not only reached this sales level, but has exceeded it by about \$13 million. And MCA has done this using only the key U.S. markets; still untapped are the secondary-market TV areas of the U.S. and the entire overseas TV market. Thus, MCA's gross may soar to \$75 or \$80 million or more—while Paramount gets only its \$50 million. Meanwhile another irritant to Paramount shareholders is that MCA will dole out the \$25 million portion of its minimum guarantee in installments of \$2 million to \$2.3 million over a period that can stretch as far ahead as Jan. 30, 1970. By all expectations, MCA's TV film & studio rentals this year may top \$50 million and its total income may reach more than \$60 million.

Compounding the slow burn by some Paramount stockholders is the public issue of 400,000 common shares of MCA Inc. stock which hit the market Oct. 9 as one of the season's hottest issues. Even though the prospectus made clear that profits were likely to be plowed back into MCA expansion rather than short-term dividends, the MCA issue took off in jet-propelled fashion. Offered at \$17.50 per share by a group of 17 brokerage houses headed by Lehman Bros., the 400,000-share issue was almost immediately over-subscribed and was selling at more than \$21 by the end of its first day on the board. Most brokers actually received only a percentage of the stock they had asked for, so heavy was demand.

Paramount stock, on the other hand, is far from being a bullish item. It has been as high as 50% this year, is currently selling about 43, and is in slow demand, financial sources told us last week—a fiscal state of health not likely to delight Paramount owners.

MCA has, of course, an unofficial rebuttal to griping by Paramount shareholders, with one executive pointing out to us that "Paramount has gotten the best & most-guaranteed price for its movie backlog of any Hollywood major so far" and citing that the RKO backlog—the first to hit the TV market, and roughly similar in size & quality to Paramount's—was originally sold for only \$15 million. "We took a chance, and it's paid off," said our MCA source. Countered one Paramount shareholder, an executive of a N.Y. station: "If it had been handled differently, all that gross profit going to MCA could have been Paramount's."

Officers-&Directors stock transactions as reported to SEC for September:

Allied Artists. Roger W. Hurlock bought 200, held 18,300. Albert Zugsmith bought 1,300, held 96,100.
 American Bosch Arma. William S. Wasserman sold 1,000, held 1,500 in holding company, 4,569 in trusts, 12 personally.
 AB-PT. Martin Brown bought 100, held 100.
 American Electronics. Glenn E. Ronk bought 500, held 737.
 American Machine & Foundry. Norman E. Lang exercised option to buy 200, held 300. Morehead Patterson sold 200, held 30,498 personally, 48,562 in trusts. Tyler Weymouth bought 200, held 213. Frank X. White bought 104, sold 100, held 112.
 Ampex. Walter T. Selsted sold 3,500, held 375.
 Ampenol-Borg. Lester M. Grether sold 1,000, held 1,100.
 Avco. Mathew A. McLaughlin sold 2,700, held 3,375. John Mihalic Jr. exercised option to buy 1,000, held 5,300.
 CBS. Leon Levy sold 2,400, held 171,827.
 Consolidated Electrodynamics. H. W. Washburn sold 100, held 2,590.
 Corning Glass. John L. Hanigan exercised option to buy 2,500, held 3,425. Artnur W. Weber exercised option to buy 1,000, held 6,000.
 Du mont Labs. Allen B. DuMont bought 1,000, held 20,801.
 Emerson Electric. L. K. Stringman bought 200, held 706.
 Emerson Radio. Dorman D. Israel sold 1,000, held 3,010. Harvey Tullo exercised option to buy 1,823, held 6,915.
 Fairchild Camera & Instrument. Edgar S. Hill exercised option to buy 250, held 400. C. L. Terrill exercised options to buy 750, held 750.
 Friden. Walter S. Jonsson sold 2,000, held 109,523.
 GE. William S. Ginn exercised option to buy 1,817, held 8,168 personally, 401 as trustee. George L. Irvine exercised option to buy 900, held 4,948. William A. Mann exercised option to buy 1,551, held 2,263. Charles K. Reiger exercised option to buy 2,657, held 6,991. Clarence C. Walker exercised option to buy 1,875, held 7,638. Glenn B. Warren sold 1,000, held 2,776.
 General Instrument. S. W. Gross sold 1,600, held 3,400.
 General Tire & Rubber. Dan A. Kimball sold 1,000, held 4,930.
 E. Willard Lutz sold 200, held 100. M. G. O'Neil sold 250 wrnts., held 250.
 Globe-Union. Ralph W. Conway exercised option to buy 200, sold 100, held 2,100. W. M. Wanvig exercised option to buy 100, held 2,800.
 Hazeltine. James F. Willenbecher bought 100, held 1,814.
 Indiana Steel Products. A. J. Astrologes exercised option to buy 1,100, held 1,157. Ivan A. Dickey exercised option to buy 1,000, held 1,000. Paul K. Doelz exercised option to buy 4,500, held 8,843 personally, 7,040 in trusts. Charles A. Maynard exercised option to buy 2,450, held 5,193. Robert F. Smith exercised option to buy 3,500, held 3,560.
 IBM. J. W. Birkenstock exercised option to buy 235, held 1,056. Charles V. Boulton sold 160, held 272.
 IIT. Herbert I. Miller sold 600, held 1,021. Sydney Morrell exercised option to buy 5,000, held 5,021. C. Douglas Webb exercised option to buy 4,000, held 4,179. Frederick R. Furth amended report to exercise option to buy 3,480, held 4,059.
 Lear. James P. Brown exercised option to buy 300, held 954. Albus Durham sold 562, held 3,465. William P. Lear bought 2,215, held 439,767. Glen C. Warman sold 556, held 600.
 Magnavox. Richard A. O'Connor sold 2,500, held 50,959.
 McGraw-Edison. Charles Edison sold 400, held 149,295.
 Motorola. Arthur L. Reese bought 200, held 400.
 National Theatres. B. Gerald Cantor bought 4,200, held 109,200 personally, 20,000 in Cantor Fitzgerald & Co., 5,000 in Cantor & Son Inc., 3,000 in Cantor Fitzgerald Foundation, 1,000 in Cantor Fitzgerald & Co. profit-sharing trust, 1,000 in First Nevada Corp. Oliver A. Unger bought 2,500, held 8,500. S. Firks bought 3,000 warrants, held 3,000.
 Packard-Bell. John H. Sawyer exercised option to buy 200, held 210.
 Paramount Pictures. Barney Balaban bought 300, held 11,600. John Hertz bought 1,000, held 2,000.
 RCA. George H. Brown exercised option to buy 100, held 195. Ralston H. Coffin exercised option to buy 100, held 400. Frank M. Folsom sold 608, held 10,023.
 Raytheon. David R. Hull sold 500, held 3,650. N. B. Krim sold 500, held 3,950.
 Siegler Corp. Edward H. Heller sold 1,000, held 18,593. Donald Royce sold 500, held 8,461.
 Standard Coil. V. E. Carbonara exercised op. buy 13,000, held 13,100.
 Statham Instruments. Louis D. Statham sold 5,000 privately, held 252,191 personally, 10,000 in partnership. Judson S. Swearingen bought 5,000, held 5,001 personally, 10,000 in partnership.
 Texas Instruments. W. D. Coursey exercised option to buy 2,000, sold 200, held 7,005. E. O. Vetter bought 100, held 4,888.
 Thompson Ramo Wooldridge. V. G. Nielsen sold 3,300, held 3,738.
 Westinghouse. Tomlinson Fort exercised option to buy 500, held 2,029. J. H. Jewell exercised option to buy 1,450, held 1,450. W. W. Smith sold 1,200, held 815. C. S. Weber exercised op. to buy 88, held 500.

Reports & comments available: Ampex, comments, Ralph E. Samuel & Co., 115 Broadway, N.Y. 6 . . . Allied Radio Corp., prospectus, White Weld & Co. Inc., 20 Broad St., N.Y. 5 . . . Magnavox, discussion, J. W. Sparks & Co., 120 Broadway, N.Y. 5 . . . Texas Instruments and Lab for Electronics, comments, Schirmer, Atherton & Co., 50 Congress St., Boston 9 . . . Microwave Associates, report, May & Gannon, Inc., 140 Federal St., Boston 10.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Decca Records Ltd. . . .	—	\$0.02	Oct. 14	Aug. 6
General Tire & Rubber	Q	.25	Nov. 30	Nov. 9
General Tire & Rubber	Stk.	2%	Nov. 30	Nov. 9
A. C. Nielsen	Q	.25	Nov. 2	Oct. 12
Natl. Theatres & TV . .	Q	.12	Oct. 29	Oct. 20
Trav-Ler (correction) .	Stk.	5%	Nov. 20	Nov. 5

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SUMMARY-INDEX OF WEEK'S NEWS

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EXCLUSIVE REPORT: Talent agencies, chiefly MCA and William Morris, control—directly or indirectly—more than 40% of nighttime network TV (pp. 3 & 7).

Quiz Scandals

QUIZ HEADLINES CONTINUE despite recess in hearings (p. 4).
PROBE REVIVES network-control threats from Congress (pp. 1 & 4).
DOERFER CHARTS PITFALLS of network control by govt. (p. 5).
KINTNER (OF FTC) demands housecleaning. Code board acts (p. 6).
HAUSMAN TELLS NAB to face quiz setback realistically (p. 5).
STANTON purges quizzers, NBC "studies" similar action (p. 6).

ETV

STRATOVISION AIRBORNE AGAIN—for ETV—as influential educational group launches \$7 million project to explore potential for mass instruction via flying TV stations (pp. 3 & 12).

FCC

NEW LOOK AT TV STANDARDS, in light of technical developments, urged by Bureau of Standards engineer William Coombs and FCC technical research div. chief William Boese (p. 9).

Film & Tape

"PARADISE" NOT QUITE LOST as 20th-Fox production boss Buddy Adler takes over ailing "Adventures in Paradise." One sponsor cancels, another looking for new show (p. 16).

REACTION AGAINST VIOLENCE: More comedy series seen next season by Hollywood producers as reaction to all-time high in filmed violence (p. 16).

MOVIE MAJORS IN TROUBLE with new TV entries. Response by critics & viewers indicates few of their series show potential (p. 15).

Manufacturing & Distribution

DISCORDANT SOUNDS from stereo market indicate that sales are lagging behind pre-season estimates. Set makers blame steel strike, overproduction, and dealer & public confusion for stereo's failure to blossom as anticipated (p. 17).

DELAY IN FM STEREO probable; NSRC expected to ask FCC for 3-month extension of Dec. 11 deadline to submit proposals (p. 18).

IS TV SAFETY GLASS on way out? Set and glass makers divided, as Corning, Kimble & Pittsburgh Plate Glass prepare to battle on merits of 3 TV tube approaches (p. 18).

Networks

ABC's FAST START in the competitive TV markets this season is reflected in the 24-market Nielsen reports covering prime-time periods for the week ending Oct. 4 (p. 8).

Advertising

NEW YARDSTICKS FOR ADMEN, in trio of research presentations, show that 30-sec. spots are gaining favor with agencies, daytime TV is good bet for tobacco firms, and TV viweing outpaces both newspaper & magazine reading (p. 13).

Stations

SLOWEST YEAR FOR NEW STATIONS sees only 20 starters to date, 10 of them educational (p. 4). New starters last week in N.D., Neb. & Ohio (p. 11).

QUIZ PROBE REVIVES NETWORK-CONTROL THREATS: Despite much there-ought-to-be-a-law talk in Washington about purifying TV's programming practices, it's still good bet that no new legislation outlawing deception in broadcast entertainment will come out of House investigation of rigged big-money quiz shows (see p. 4).

But TV networks may be in for rough time at next session of Congress. It's becoming more & more likely that long-shelved proposals to put networks under direct FCC regulation will be dusted off after session opens in Jan. Along with FCC & FTC, they've been made chief targets of Commerce legislative oversight subcommittee in its attempts to finger those responsible for failure to stop quiz frauds before they spread.

NBC-TV & CBS-TV haven't fared well in House probe. And ABC-TV, although it was lucky enough not to have been involved with quizzes, won't be left out of any move for close govt. supervision of networks, which can be reached now by FCC only through their licensed o&o stations. Another factor in situation which has nothing to do with TV or quiz scandals: FCC's inability to blow any whistles on MBS in alleged Dominican radio-news-for-sale deal (Vol. 15:41 p7). MBS doesn't even have o&o's.

House quizzers haven't bought protestations by NBC-TV & CBS-TV that they were innocent of knowledge that their shows were fixed, that they jerked them from air when suspicions were raised. "Rather unusual," said subcommittee Chmn. Harris (D-Ark.) wryly when NBC conceded its own investigation of 1958 scandal stories had been less than sweeping. "Perfect illustration of [networks'] lack of morality & lack of ethics," commented ex-Rep. Moss (D-Cal.). "Fast buck," snorted Rep. Rogers (D-Tex.). And even N.Y. Times pundit Arthur Krock, who rarely concerns himself with such frivolity as show business, said he was disturbed by "astoundingly unvigilant networks."

Frank Stanton's bold move last week in acknowledging that CBS should have exercised more vigilance, and his announced plans to banish big-money quiz programs and exercise more program control, are obviously intended as at least partial answers to these cries of "network irresponsibility." (CBS's moves to implement the ban, and the reactions of other networks, are rounded up on p. 6.)

Congressional reaction to Stanton's action was immediate and revealing. CBS wants to "head off legislation," said Rep. Mack (D-Ill.), a member of the investigating subcommittee, when informed of Stanton's statement. "I would want Congress to go ahead and plug up loopholes regardless," he asserted. He said his group probably will consider legislation to give FCC jurisdiction over networks and independent producers.

At least one bill for network regulation by FCC (HR 5042) already is awaiting action at next session. Authored by Rep. Bennett (R-Mich.), ranking minority member of House Commerce Committee and its oversight & communications units, it's been hanging fire since Feb. (Vol. 15:9), when he said networks need controlling so that TV programming "meets the public-interest test." In introducing it, he carried on for ex-Sen. Bricker (R-O.), who in earlier sessions conducted lone crusade for network curbs.

Also in legislative works now is agency reform bill by overseer Rep. Flynt (D-Ga.), who thinks "indifference" of FCC & FTC to quiz scandals could be corrected by removing their members from protection of White House appointment power. Agencies are arms of Congress—"not part of the executive branch"—and method of picking commissions should be changed, he says.

But laws to force strict honesty in TV programming aren't in prospect. Nobody on subcommittee has yet indicated he's capable of writing such special legislation which wouldn't be unconstitutional per se. Lawyers on subcommittee staff privately pooh-pooh any chance that such legislation will be proposed seriously.

Unanswered by Harris and subcommittee zealots is big question—posed by FCC Chmn. Doerfer & FTC Chmn. Earl W. Kintner at hearings and in speeches to broadcasters last week (see pp. 5 & 6)—if Govt. starts censoring & editing TV shows, where can it stop?



In a cogent analysis of the quiz scandals' impact on network broadcasting, Stanton announced CBS will assume greater control over everything that emanates from its studios because:

"Out of all that has happened in this much-publicized episode in the history of broadcasting, we can be certain of 2 things: Whoever may produce programs, it has now been made crystal clear that the American people hold the networks responsible for what appears on their schedules. And whoever may be to blame in this whole tawdry business, we are faced with the fact that all of broadcasting has been hurt. Broadcasting has lost a degree of the public trust and confidence so essential to its effective performance."

Speaking to convention of Radio-TV News Directors Assn. in New Orleans last week, Stanton acknowledged that CBS might have, with more foresight, anticipated that the big-money quizzes carried the "seeds of their own abuse." Said he: "We have indeed failed fully to meet our duty with regard to quiz shows." At any rate, he declared, quizzes will be eliminated from the CBS schedule, "with due notice to advertisers."

But he went a good deal further: "I want to make clear that this single action will not accomplish our aims. We are taking a fresh, hard look at our basic operation theories & practices as they affect the whole pattern of what appears on the CBS TV network. We cannot, of course, tell others involved with production of TV programs how to run their business. But we do propose to be more certain in the future that it is we and we alone who decide not only what is to appear on the CBS TV network, but how it is to appear.

"We accept the responsibility for content and quality and for assurance to the American people that what they see and hear on CBS programs is exactly what it purports to be. We recognize that in the discharge of this responsibility we will undoubtedly be challenged in many ways from many quarters." (For Stanton's comments on the new equal-time law, see p. 10.)

PROGRAM CONTROL BY TV'S TEN-PERCENTERS: Better than 4 out of every 10 nighttime network shows and more than 40% of prime-time program hours on the networks are controlled—directly or indirectly—by major talent agencies. Total gross cost of agency-controlled programs to sponsors, by conservative estimate, is about \$3 million a week, or an annual rate of more than \$150 million. These are most significant findings in a special Television Digest survey of operations & influence of talent agencies.

Kingpins of agency field in TV are the "Big Two" of talent representation—Music Corp. of America and William Morris Agency. Both firms are virtually neck-in-neck in number of nighttime network shows and programming hours they represent—William Morris's 24 shows and 14½ hours weekly vs. MCA's 22 shows and 13½ hours. All other agents combined have only 5 shows a week for a total of 4 hours on the 3 networks.

Each agency tends to develop its own "favorite" network. This fall, for example, MCA has 11 shows on NBC-TV, 7 on CBS-TV, 4 on ABC-TV. William Morris has 10 on CBS-TV, 7 each on NBC-TV & ABC-TV. This chumminess with a particular network is a result of track record of previous sales, traditional MCA-Morris rivalry, careful cultivation of top executives.

"Controlled exposure" for individual TV talent in their stables is a factor in program planning of agencies this fall. Every major agency has its own program showcases, which serve as sort of Sears, Roebuck catalog of available talent—and as a come-on to woo talent away from smaller agencies. Thus you'll see preponderance of MCA faces in NBC-TV's Ford-sponsored specials, Morris talent in CBS-TV's Revlon specials, General Artists Corp. personalities in the GAC-represented Perry Como series.

One big difference between MCA and Morris is in their positions on program ownership. MCA is heavily in production business through subsidiary Revue Productions—thus sometimes simultaneously being both employer & employe of its TV talent. On networks this fall are 4 MCA-owned film series produced by Revue, plus 7 co-production film series in which MCA's interest (generally facilities & financing) averages 50%. Revue also directly produces 2 series for syndication through MCA TV sales channels. MCA also distributes features, rerun TV series & other properties, and owns former Universal-International studio lot.

Morris doesn't believe in program ownership, sticks closely to "10%-off-the-top" formula. It represents independent producers' TV packages, as well as individual performers, on worldwide basis. But agencies are prohibited from taking double commissions when they represent personalities in shows they represent.

Do small agents resent big agencies? There's no clear-cut answer from the several small representation firms we contacted in our survey. Most small agents feel they have as good a chance of selling a very hot show or talent to network buyer as MCA or Morris, but they envy big agencies' ability to sell routine shows on basis of special deals, talent tie-ins—or just simply a good "in."

For roundup of practices & problems in talent agency business, and list of shows & talent represented by the various agencies, see story on p. 7.

STRATOVISION AIRBORNE AGAIN—FOR ETV: Westinghouse's long-grounded dream of Stratovision flying TV was granted new wings—and a powerful thrust—last week by an ambitious ETV project which unquestionably will have significant repercussions for entire broadcasting industry.

The \$7-million ETV experiments will put transmitting station 25,000 ft. in air to relay programs from ground station to a 6-state, 125,000-sq.-mile area. In 1945-48 tests, Westinghouse proved feasibility of beaming airborne TV 225 miles in all directions (Vol. 4:26 p4). Unlike original Stratovision project which used vhf, new experiments will use upper end of uhf band.

No ivory tower dream is that vision of flying classrooms disclosed by newly formed Midwest Council on Airborne Television Instruction (MCATI). It has all necessary requisites for success: Money—wads of it ranging into millions. Influence—its membership reads like Who's Who in Education. Backing—with such powers as General Dynamics, Ford Foundation, Westinghouse, CBS Labs, Purdue Research Foundation and others cooperating. Know-how—scientific brains already involved in project: CBS Labs' Dr. Peter Goldmark, Westinghouse's Charles E. (Chili) Nobles who has pushed harder for and probably knows more about airborne TV than any other industry engineer.

Project's scope obviously goes far beyond ETV field and into basic question of TV standards and allocations—even though its stated goal is a sort of super-closed-circuit aimed at schools and colleges. Included in experiment will be tests of a CBS Labs bandwidth-reduction process, which reduces TV channel from 6 to 3 mc., doubling number of channels in a given spectrum space. This comes at a time when FCC is beginning to hear first rumblings of proposals for complete new look at TV transmission standards (see p. 9).

FCC has received no formal application from MCATI group yet, but we're told that preliminary discussions with project engineers have been held and that FCC is receptive to idea of tests. Undoubtedly FCC will authorize experiments if channels can be found which won't give interference to existing operations—and there should be no difficulty finding them.

For details of the educational Stratovision project, see p. 12.

SLOWEST YEAR FOR NEW-STATION STARTERS: With most desirable channel allocations now occupied, 1959—as predicted—is harvesting slimmest crop of new TV stations since end of freeze. Including 3 new stations this week (see p. 11), only 20 stations have gone on air this year—and only 7 more CP-holders appear to have progressed far enough in construction and equipment purchases to make it by end of year, as shown in our continuing survey of upcoming stations.

Of the 20 new stations so far, 10 are non-commercial educational outlets—and 3 of the remaining 7 potential 1959 starters are educational. Since their channels are reserved, educators haven't had to rush to stake out their claims and get on air. And unless there's break in allocations logjam, you can expect to see educational-to-commercial ratio climb even higher in new-station list for 1961.

Actually, more new stations are starting this year than we had anticipated. In our year-end prediction last Dec., we foresaw only 20 starters in 1959 (Vol. 14:52 p2). Here's new-station total for each year since July 1952 freeze-end: 1952 (6 mo.), 17 starters; 1953, 231; 1954, 101; 1955, 59; 1956, 45; 1957, 40. Our new Fall-Winter Television Factbook, incidentally, lists vital data for all stations now on air, plus stations due to go on air rest of year, and contains special new directory of educational stations.

Quiz Scandals

More about

NO LET-UP ON QUIZZES: There was a hiatus last week in House hearings on evidence that now-defunct big-money TV quiz programs were fixed by their promoters—but no hiatus in headlines as scandal rolled on & on.

After spending 2 relatively dull days trying to fix blame on FCC & FTC for failure to stop the quiz frauds, the House Commerce legislative oversight subcommittee called a recess Oct. 12 in its public sessions until Nov. 2. They'll resume for a run that may stretch into a week.

Star performer billed by subcommittee Chmn. Harris (D-Ark.) to open next month's hearing series: Charles Van Doren, 1956-57 headliner on NBC-TV's *Twenty One*, who had built himself up as a House witness by vanishing after he was suspended from a \$50,000 commentator's job by NBC-TV (Vol. 15: 41 p4). Harris accused him of evading a subpoena which he disclosed had been issued Oct. 9.

Probable added attractions in Nov.: Participants in CBS-TV's *\$64,000 Question*, which up until last week hadn't been suspect as a rigged show, and its companion *\$64,000 Challenge*, which had. And NBC-TV officials may be asked to come back for another turn on the witness stand to do some more explaining about what they did—or didn't do to investigate *Twenty One* and other network shows themselves. Also expected to be on tap: Dan Enright of TV packager Barry & Enright. He has been reported "co-operative" by Harris in telling in executive sessions how he helped operate *Twenty One*, but has made only one brief appearance in a public session—to admit openly for the first time that *Tic Tac Dough* had been rigged.

Before the hearing intermission was called, FCC Chmn. Doerfer & FTC Chmn. Kintner were put through some rugged paces in separate sessions on the stand by the investigators. Chmn. Harris and other subcommittee quizzers—principally Rep. Rogers (D-Tex.) and counsel Robert W. Lishman—tried to get the agency chiefs to concede that they had run away from responsibility for controls of broadcast programming.

Harris called the questioning of Doerfer & Kintner the "most pertinent part of our proceedings." Doerfer pointed out doggedly that Communications Act didn't permit FCC control of programming—and in fact forbade FCC censorship. Kintner pointed out that the Federal Trade Commission Act gave FTC jurisdiction over false advertising—not deceptive entertainment. But the investigators demanded—insistently—to know why FCC and/or FTC hadn't stepped in long ago to expose quiz frauds. They repeatedly professed "amazement" that neither agency had done what they said was its duty.

"If as much attention was paid by bureaus & boards to protecting the public interest as they do to budgets & funds we would be a lot better off," Rogers interjected heatedly at one point.

Meanwhile, these were among headlined quiz-show developments of the week, in & out of Washington:

Item: Van Doren turned up in N.Y. Oct. 15 after a lengthy weekend of what he said was "solace" in New England from his NBC-TV job troubles. He accepted the subcommittee's subpoena, then called a massively-covered press conference in the Roosevelt Hotel. There he insisted he hadn't known Harris was after him—and he outraged reporters by refusing to answer any of their questions about question-&-answer coaching on *Twenty One*, which yielded him \$129,000. (Drew Pearson reported Oct. 12 that subcommittee heard closed-door testimony that Van Doren had been fed questions in advance.)

Item: Rev. C. E. (Stoney) Jackson of Tullahoma, Tenn., a \$16,000 winner on *\$64,000 Question* and \$4,000 winner on *\$64,000 Challenge*, told reporters he got help in answering questions on both.

Item: Such other once-famed "Question" and/or "Challenge" winners as Mrs. Myrt Power (\$57,000), Gino Prato (\$32,000), Dr. Joyce Brothers (\$134,000), Mrs. Catherine Kreitzer (\$32,000), James & William Egan (\$48,000) and Teddy Nadler (\$264,000) testified in newspaper interviews that they hadn't been coached.

Item: Quizmaster Hal March of *\$64,000 Question*, now a stage actor in "Two for the Seesaw," voiced "great shock" at reports that something was wrong with the show.

And officials of the August Manufacturer's Trust Co., who used to be seen by viewers guarding questions on the show, issued a statement saying that their part in the program had been played straight.

Item: CBS-TV network div. pres. Louis G. Cowan, originator of \$64,000 *Question* when he was head of Louis G. Cowan Inc., pointed out he left the production firm to join the network 7 weeks after it first went on the air in 1955. "During the period when I was at the production company," he said, "there was no rigging of the program, so far as I know, and if there had been I think I would have known about it."

Item: Dr. Bergen Evans of Northwestern U., who composed questions for \$64,000 *Question*, said he believed the show was "as honest as it could be," but contestants could be eliminated by asking them questions in fields in which pre-program tests had shown them to be weak.

DOERFER CHARTS PITFALLS: Congressional storms over rigged TV quiz shows and the Lar Daly equal political time issue may be pushing FCC "to the brink of unconstitutional interference with freedom of expression on a political platform or in a dramatic performance," Chmn. Doerfer warned broadcasters last week.

Fresh from his joust with House quiz investigators over the Commission's authority to prevent frauds in entertainment on the air (see pp. 1 & 4), Doerfer told the New Orleans convention of the Radio-TV Directors Assn. (RTNDA) that FCC faces "the serious question as to what direction the Govt. should take in the field of program content control."

FCC is being nudged "closer & deeper into exercising regulatory controls over programming content" by the furor raised by House hearings on the quizzes, Doerfer said. And he was dubious about Communications Act amendments voted by Congress to settle equal-time questions raised by Lar Daly (Vol. 15:36 p2). Doerfer said he feared the new Sec. 315 imposes "new & additional burdens upon the broadcaster"—and FCC—instead.

There's no doubt, Doerfer assured the TV-radio newsmen, that the quiz shows re-exposed by the legislative oversight subcommittee were "fraudulent & gross deceptions [which were] most reprehensible and exhibited a contemptible degree of crassness on the part of the producers." But he pointed out a N.Y. Grand Jury could find no "legal deceit" in them, and that the Commission is forbidden by present law to censor programs.

Warning against "direct punitive assaults" threatened by subcommittee members, he said they "probably would do more harm than good to freedom of expression."

"It is inconceivable to the American people that a govt. agency could be entrusted to sit in judgment as to what constitutes good drama, good music, interesting & educational programs. It would be practically impossible to supervise even a fraction of the 60,000 hours of programing which takes place each day. It would be practically impossible for a govt. agency to require that any particular type of programing must be precisely what it purports to be."

As for the Sec. 315 amendments, Doerfer conceded that they're "an improvement over the inflexible requirements of the old law," which had led the Commission to equate newscasts with political speeches by candidates. Long an advocate of outright repeal of Sec. 315, he said that the new legislation nevertheless may subject broadcasters to abuse of equal-time privileges by proponents of "controversial matters."

"No longer can [a broadcaster] refuse his facilities to those who request to speak 'on behalf of the candidate,'" Doerfer said. "Before the amendment, the Commission determined that the privilege was a personal one. It extended to the candidate alone.

"Now, apparently, substitutes can, and must, be permitted whenever a prior candidate (or even someone on his behalf) has raised an 'issue of public importance' upon which there may be conflicting views. And it may be persons who do not even purport to speak on behalf of any candidate. Apparently, any responsible person who has opposing views can now get into a political 'hassle' over the air.

"I am sure no one intended this result, nor intended to expand the Commission's prior policy to treat highly controversial matters fairly. A law, as you know, is more inflexible than an administrative policy."

Doerfer wound up his RTNDA speech with a plea that Congress give broadcasters "a fair opportunity for self-correcting action" before it passes more laws governing TV & radio:

"The cure for highly objectionable programming, be it unfair treatment of a political candidate, an issue of public importance, or a deceptive practice in quiz programs, should be not creation of greater govt. controls, but greater incentive for exercise of self-regulatory restraints."

As Hausman Sees It: "We've suffered a setback. It would be dangerous to stick our heads in the sand." That's the impact of the quiz hearings on the industry, in the opinion of Louis Hausman, the new dir. of the TV Information Office (TIO).

In his brief maiden talk to members of NAB, at the Association's first fall regional conference in Washington last week, Hausman asserted that it would be foolish to believe criticisms by the press and others are being made "because they hate us."

"Some of us, I am afraid," he said, "may be inclined to discount the press coverage on [the quiz] story by saying the press is motivated by jealousy of our advertising successes. This is altogether too pat an answer. The press did not create this story out of whole cloth. It is a story that the public is vitally interested in. It illustrates dramatically what an integral and vital part TV has become in our society." Aside from those observations, he said he couldn't comment further until NAB and its Code Board acted on the quiz situation (see story on p. 6).

TIO's major chores generally, Hausman said, include the following: (1) "A tremendous job of straight information, telling the public why we do what we do and why we can't do otherwise." He alluded to the "ignorance" of PTA's and other critics who don't know the mechanics of the industry and "its need for financial stability." (2) "To defend the integrity and quality of what we do." (3) To help telecasters get their stories across locally—supplying them with material for seminars, speeches, etc.

Hausman said he had already declined many invitations to address groups, appear on TV programs (e.g., Mike Wallace's), etc., because he has adopted the principle that it was up to the telecasters themselves to make the presentations.

Hausman was introduced by Clair McCollough, Steinman Stations, chmn. of NAB's TV Information Committee, who discussed TIO's genesis. At the end of Hausman's talk, NAB v.p. Thad Brown asked for a show of hands of those who had already pledged financial support to TIO. Six or 8 of the 25 to 30 telecasters raised their hands.

'CLEAN HOUSE!' SAYS FTC's KINTNER: The U.S. would become a "police state" if the Govt. takes regulatory jurisdiction over all questionable business practices such as TV quiz show rigging—and broadcasters better get busy now to insure themselves against that fate, FTC Chmn. Earl W. Kintner warned last week.

In a no-punches-pulled speech to the first 1959 regional NAB fall conference in Washington's Mayflower Hotel, Kintner warned that "the reputation of the broadcasting industry faces a serious threat [which] has been brought on by too much lip service to high principles and not enough diligence in enforcing compliance with them."

Kintner was answered by NAB pres. Harold E. Fellows. He said the TV Code Review Board headed by Westinghouse Bestg. Co.'s Donald H. McGannon is ready to set up new rules "to further safeguard the viewing audience against misrepresentation or deceit, in [quizzes] or other areas of programming."

In a wrap-up report to NAB members at a closing session of the 2-day meeting, Fellows said he wouldn't "try to explain or justify" disclosures of quiz scandals by House investigators, but: "This industry has proved, in its 4 decades of service, it can clean its own house when necessary."

In a session devoted to the code, McGannon stated: "It is my opinion that the question of rigged quiz shows could have been handled within the content of the TV code on the basic and fundamental premise of honesty of presentation . . . Therefore, it is my intention on Nov. 16, in Los Angeles, which is the next meeting of the TV Code Review Board, to recommend to its membership the adoption of an amendment to the code that expressly prohibits an abuse of public acceptance and trust as has been reflected in much of which you have been reading of late.

"The threat of governmental regulation is a most genuine one," said McGannon. "Notwithstanding, I believe among the current subscribers to the code and among broadcasters in general, the responsibility to the public and to the advertiser of commercials comes at a higher priority of consideration than even this [threat]. However, if you will accept a gratuitous opinion of the Code Review Board, the question of governmental regulation of programming and/or commercial content has many real and momentary characteristics, and in any form would present a genuine disaster to this industry."

Calling on broadcasters & advertisers to "keep radio & TV free of deceit & fraud," Kintner said that "what self-discipline cannot achieve cannot be accomplished by the alternative of mere [govt.] policing, if our system of government is to survive."

Kintner added: "If self-regulation [by broadcasters] becomes ineffective, then it becomes mandatory that the Govt. should provide whatever policing is required by the public interest." He urged "the broadcasting industry, and particularly each individual member of the industry, to police its advertising & programming so well that more laws & more regulations & more policing are not needed."

NAB "deserves credit" for its own ethical codes, Kintner said. "Nevertheless, if a ship has only a few holes in its hold instead of many, this does not invite confidence that it is seaworthy." And he cautioned NAB members not to comfort themselves with a conclusion that newspaper coverage of the House quiz exposé has been "all out of proportion to its importance . . . It is my opinion that any attempt to shrug off a hoax on the public as not warranting positive action is to whistle in the dark."

More about

CBS's NO-QUIZ EDICT: Only a few hours after CBS Inc. pres. Frank Stanton's New Orleans pronouncement against quizzes (see p. 1), CBS-TV announced the first changes in the network's program structure to be caused by the new taboo on big-money and big-prize shows. Both of CBS-TV's daytime quiz shows—*Top Dollar* and *The Big Payoff*—were headed for the scrapheap, and would be replaced by filmed reruns of *December Bride* (moving up from 10:30 a.m.) and *The Millionaire* (TV's biggest giveaway show, but one that's not subject to "fix").

Undetermined was the future of the Mon.-night *Name that Tune* series, the sole remaining jackpot-prize show on CBS-TV. Colgate-Palmolive, the sponsor of the canceled daytime shows, will remain as a sponsor of the new film shows.

Not likely to be affected are the Goodson-Todman panel shows on CBS-TV—*What's My Line, I've Got a Secret, To Tell the Truth*—Mark Goodson of G-T productions told us Oct. 16. "We don't depend on big-money rewards to contestants for an audience," said Goodson, pointing out that the actual money that changes hands on the G-T shows is so minor it could be eliminated if necessary. G-T's only big-money show is *The Price Is Right* on NBC-TV, where the jackpot can be worth some \$25,000 in prizes.

ABC-TV was unruffled by Stanton's promise of a quiz-free CBS, telling us that "we consider our 3 daytime contest shows—*Music Bingo, Beat the Clock, and Who Do You Trust?*—as comedy shows, since the prizes are practically nothing." ABC has no nighttime quiz shows "and probably won't accept any," we were also told.

NBC-TV, which has a total of seven 30-min. quiz shows (from *Dough Re Mi* at 10 a.m. to *Split Personality* at 4:30 p.m.) in its daytime schedule and 3 nighttime prize shows, told us that it had "no plans" to axe any or all of them, that the Stanton statement was "being studied," and that NBC would be curious to know "just what CBS considers a large sum or a lavish prize."

TV quiz format, discredited & discarded here following exposures of rigged shows (see pp. 1 & 4), has been adapted by Russian radio propagandists for audience participation—and "is enjoying a lively revival," reports the *Washington Evening Star*. Every night contests are beamed by Soviet shortwave to listeners in Europe, Africa & North America. They're offered radios, phonos, refrigerators, cameras if they mail correct answers to such questions as: What Russian insisted in the UN Security Council on evacuation of foreign troops from Syria & Lebanon? One contest drew 3,000 replies from Arab listeners who collected 350 prizes. But there's been hanky-panky, too, according to the *Star*. Radio Moscow boasted that correct replies to one quiz on USSR history had been received from 39 U.S. listeners who won shortwave radio sets, cameras and record albums. It turned out that a group of Minn. U. instructors got together on the answers, submitted them under different names & addresses. Apparently unshaken by this evidence of contest fraud, Radio Moscow last week announced a new quiz show for its American audience Oct. 30. Best answers to a 7-part question on "Soviet economic advances" will win a Russian-made camera. Consolation prizes: "Rocket badges," wood carvings, books, Russian stamps, photos of Soviet cities.

Networks

More about

THE SLICE OFF THE TOP: There are literally dozens of small talent agencies, representatives & managers in TV, but only 2 big names—Music Corp. of America and William Morris Agency—are woven into the entire fabric of prime-time network programming (see p. 3).

MCA, whose stock is now soaring following its heavily oversubscribed public offering (Vol. 15:41 p20), is often regarded mainly as a key source for individual TV stars. But that's only part of the story—in first-half 1959 MCA grossed about \$24 million from the sale of film series it owns or co-produces, another \$1 million from studio rentals, and some \$4.2 million in agent commissions.

MCA, in a dollar ratio of about 6-to-1, is thus more of a program producer-distributor than an "actor's agent." Of the 22 nighttime network shows that bear the "sold-by-MCA" label, 11 are either directly produced by MCA or are MCA co-productions—exactly 50%.

William Morris, which handles more independent producers than MCA, achieves bigness by a different route: a strict policy of keep-out-of-production while aiming for 10% of a large volume of TV business.

Among Morris-represented producers this fall are Four Star (9 shows of its own, plus the production facility of *Wichita Town*), 20th Century-Fox (except for *Dobie Gillis*, sold by General Artists to CBS-TV under a prior representation deal), Lou Edelman, Mirisch-McCrea, Jackie Cooper, Goodman Ace, Garry Moore-Bob Banner.

General Artists Corp., although much smaller than either MCA or Morris in terms of total billing handled, has a show on each of the 3 networks this year. One of them, *The Perry Como Show*, is a prime showcase for musical talent, in which GAC specializes.

Not all of Hollywood's top TV film producers are represented by talent agencies. Of the major film companies involved in TV production—United Artists, 20th Century-Fox, MGM, Columbia Pictures (via Screen Gems), Paramount, Warner Bros.—only 20th-Fox has a sales agent (William Morris), and even this situation may change with the arrival of ex-Young & Rubicam TV-radio v.p. Peter Levathes as pres. of TCF-TV (Vol. 15:41 p7).

The other movie majors, and many of the syndication houses involved in network programming (such as Ziv and ITC), prefer to handle program sales directly. Independent producers like Four Star, and most of the one-show production firms, prefer to deal through a talent agent rather than maintain a sales organization.

* * *

Representation of individual performers or creative TV talents is regarded by the leading talent shops (to quote MCA's recent stock prospectus) as "extremely speculative," even though virtually every performer in a regular TV series has an agent, and talent agents have been instrumental in boosting the asking price of top TV names as high as \$100,000 for an appearance.

Artists frequently shift around between talent agencies. Frank Sinatra, once with MCA, is now with William Morris; Danny Kaye, once with Morris, is now with MCA; Betty Hutton and Judy Garland have been back & forth between both agencies, to name a few.

Frequently, stars represented by one agency have the leading roles in a series handled by another. A few: William Demarest (MCA) in *Love & Marriage* (Morris); Hoagy Carmichael (Morris) in Revue's *Laramie* (MCA);

David Hedison (Famous Artists) in *Five Fingers* (Morris); Dwayne Hickman (MCA) in *Dobie Gillis* (GAC). Some actors, such as Phil Carey who's on both the Morris and Louis Shurr Agency lists, have double or triple representation on "commitment" rather than "contract" basis.

Exactly how does a talent agent handle the sale of a packaged show? Generally, he shoots for the traditional "10%-off-the-top," and usually arrives at the pricing formula this way: The agent will ask the producer what he feels he should get for his show. In the case of an expensively produced 30-min. film show, it might be a producer gross of \$45,000. The agent then figures one-ninth of this, and adds it on top (\$5,000 plus \$45,000) to arrive at a figure which, when discounted with 10% commission, gives the producer his asking price and the agent his regular commission. This also avoids arguments over another matter—taking a 10% commission on below-the-line (non-creative & technical) costs. But there are many variations to the pricing formula.

Individual TV performers with whom we've discussed agency representation exhibit all shades of attitude toward TV's leading talent sellers. Some prefer being handled by a small agent "where you won't be lost in the shuffle or employed by your own agent." Others like the large, multi-faceted agencies whose corps of specialists can advise on everything from co-production TV deals in Australia to the best way of distributing TV income for tax purposes. All agree (and network executives echo the sentiments) that "some form of representation between talent and employer or buyer is necessary."

* * *

Agency representation is not a free-for-all business of wheeling & dealing, despite some outward appearances. Talent guilds & unions (AFTRA, SAG, AGVA, Equity, Writers Guild, etc.) have very specific agreements governing commissions, agent duties and how agency contracts can be terminated, even though almost anyone not a broadcaster, network executive, producer or adman can apply for an employment agency license and union-awarded agency franchises.

One question often raised in connection with MCA is that of "conflict of interests," since MCA is a sizable employer of talent through packages it produces or controls. Screen Actors Guild, the union most directly concerned, indicates that while it may be "philosophically disturbed" by the situation, it is also aware that the MCA-Revue operation gives jobs to hundreds of film actors.

SAG exec. secy. Jack Dales told us in Hollywood: "This matter will come up in 1960 when we review the whole field of agency relations with the Guild, particularly agencies involved in production."

Leading talent agents have a strong record of keeping their top artists working, usually at top prices. In the case of MCA, Morris and GAC, there is the additional lure of being able to make deals for talent in shows the agency produces, controls or has sold as a package.

Thus, a lot of Morris-represented talent is likely to be seen this season in the Goodman Ace-produced specials for Revlon, in packaged specials starring Morris clients Frank Sinatra, Jimmy Durante & Milton Berle and in such dramatic series as *Du Pont Show* (June Allyson)—all sold by Morris. The same situation applies to MCA's link with the Ford-sponsored specials, various other packaged MCA offerings signed for such slots as NBC-TV's Sunday-night showcase, *Wagon Train*, *Riverboat*, and *GE Theatre*.

Talent agency batting averages with film packages are usually above average. By trade estimates, leading

agencies manage to sell at the network level about one out of every 4 pilots delivered, as against the all-industry average of about one out of 10 pilots.

* * *

These profiles of the principal talent agencies are as accurate as considerable cross-checking can make them. Official agency lists of clients are closely guarded secrets. We have compiled these lists of shows and performers active in TV this season. The name of the production company follows (in parentheses) the name of the series.

William Morris Agency: 1740 Broadway, N.Y. 19; 151 El Camino, Beverly Hills.

TV series and series talent:

On ABC-TV—*Adventures in Paradise* (TCF-TV); *Black Saddle* (Four Star); *John Gunther's High Road* (Blue J. Productions); *The Real McCoy's* (Brennan-Westgate), Walter Brennan; *The Rifleman* (Four Star); *The Detectives* (Four Star), Robert Taylor, Lee Farr; *Wyatt Earp* (Earp Enterprises), Hugh O'Brian.

On CBS-TV—*Du Pont Show* (Four Star), June Allyson; *Hennessey* (The Hennessey Co.), Jackie Cooper; *The Garry Moore Show* (Ked Wing Productions and Bob Banner Associates), Garry Moore; *The Betty Hutton Show* (Hutton Productions), Betty Hutton; *Johnny Ringo* (Four Star), Don Durant, Karen Sharpe; *The Big Party by Revlon* (Goodman Ace); *Ann Sothern Show* (Desilu), Ann Sothern; *Danny Thomas Show* (Marterto Enterprises), Danny Thomas; *Wanted: Dead or Alive* (Four Star), Steve McQueen; *Zane Grey Theatre* (Four Star), Dick Powell.

On NBC-TV—*Five Fingers* (TCF-TV); *Law of the Plainsman* (Four Star), Michael Ansara; *Love & Marriage* (Lou Edelman), Stubby Kaye; *Richard Diamond* (Four Star), David Janssen; *Wichita Town* (Mirisch-McCrea), Joel McCrea; *You Bet Your Life* (Filmcraft), Groucho Marx; *Loretta Young Show* (Toreto Films), Loretta Young.

Morris-represented talent starring in specials or regular series:

Nick Adams, Morey Amsterdam, James Arness, Pearl Bailey, Tallulah Bankhead, Ralph Bellamy, Milton Berle, Joey Bishop, Vivian Blaine, Ray Bolger, Eddie Bracken, Barbara Britton, Edd Byrnes, Abe Burrows, Rory Calhoun, Kitty Carlisle, Hoagy Carmichael, Pat Carroll, Peggy Cass, Imogene Coca, Myron Coben, Claudette Colbert, Bud Collyer, Jackie Cooper, Greer Garson.

Vic Damone, Sammy Davis Jr., Johnny Desmond, Marlene Dietrich, Andrew Duggan, Jimmy Durante, Rhonda Fleming, Steve Forrest, Mona Freeman, Zsa Zsa Gabor, Dave Garroway, Benny Goodman, Farley Granger, Buddy Hackett, Julie Harris, Peter Lind Hayes, Mary Healy, Eddie Hodges, Celeste Holm, Sally Ann Howes, Mabilia Jackson, Kitty Kallen, Betty Lou Keim, Lisa Kirk, Eartha Kitt, Michael Landon.

Peter Lawford, Carol Lawrence, Peggy Lee, Sheldon Leonard, Sam Levenson, Joe E. Lewis, Bambi Lynn, Marie McDonald, McGuire Sisters, Jayne Meadows, Sal Mineo, Carlos Montoya, Patrice Munsel, George Nader, Johnny Nash, Barbara Nichols, Janis Paige, Neva Paterson, Dick Powell, Jane Powell, Elvis Presley, Johnny Puleo, Martha Raye, Carl Reiner, Pernel Roberts, Rowan & Martin, Mort Sahl, Frank Sinatra, Jo Stafford, Barbara Stanwyck, Gale Storm, Rise Stevens, Pat Suzuki, Soppie Tucker, Miyoshi Umeki, Senor Wences, Mae West, Esther Williams, Walter Winchell, Natalie Wood.

Music Corp. of America: 598 Madison Ave., N.Y. 22; 9370 Santa Monica Blvd., Beverly Hills.

Shows produced directly by MCA subsidiary Revue Productions: On ABC-TV—None. On CBS-TV—*GE Theatre*, Ronald Reagan. On NBC-TV—*Laramie*; *Staccato*; *Wagon Train*, Ward Bond.

TV series and series talent represented or co-produced by MCA subsidiary MCA Artists Ltd.:

On ABC-TV—*Hobby Lobby* (Don Feddersen); *The Rebel* (Goodson-Todman); *Leave It To Beaver* (Gomalco); *Take A Good Look* (IMPA).

On CBS-TV—*Jack Benny Program* (J & M Productions); *George Gobel Show* (Gomalco); *The Millionaire* (Tido Inc.); *Ed Sullivan Show* (CBS-TV); *Markham* (Markham Productions), Ray Milland; *Alfred Hitchcock Presents* (Shamley Productions).

On NBC-TV—*Bachelor Father* (Bachelor Productions), John Forsythe; *The Deputy* (Top Gun Productions), Henry Fonda; *Tennessee Ernie Ford Show* (Bethford), Ernie Ford; *It Could Be You* (Ralph Edwards Productions); *Startime* (Hubbell Robinson Productions); *Tales of Wells Fargo* (Overland Productions), Dale Robertson; *M-Squad* (Alabama Productions); *Riverboat* (NBC-TV).

MCA-represented talent starring in specials or regular series:

Eddie Adams, Morey Amsterdam, Harry Belafonte, Edgar Bergen, Polly Bergen, Ingrid Bergman, Charles Bickford, Victor Borge, Spring Byington, Jack Carson, Rosemary Clooney, Joseph Cotten, Robert Cummings, William Demarest, George DeWitt, Betty Furness, Peggy Ann Garner, Ben Gazzara, Lorne Greene, Ty Hardin, Dwayne Hickman, Earl Holliman, Kurt Kasnar, Ernie Kovacs, Steve Lawrence, Viveca Lindfors, Danny Kaye.

Shirley MacLaine, Gordon MacRae, Elaine Malbin, Patty McCormack, Ethel Merman, Gary Merrill, Jane Morgan, Jaye P. Morgan, Roger Moore, Kathleen Nesbitt, Dennis O'Keefe, Jack Paar, Betsy Palmer, John Payne, Nehemiah Persoff, Marguerite Piazza, Donna Reed, Mark Richman, Rosalind Russell, Tommy Sands, Everett Sloane, Maureen Stapleton, Dean Stockwell, Rip Torn.

Ashley-Steiner Inc.: 579 Fifth Ave., N.Y. 17; 449 S. Beverly Drive, Beverly Hills.

On ABC-TV—*Jubilee U.S.A.* (Crossroads). Talent: Keenan Wynn.

Frank Cooper Assoc.: 9145 Sunset Blvd., Hollywood 46; 17 E. 54th St., N.Y.

On CBS-TV—*The Lineup* (CBS-TV). Talent: Richard Long, William Lundigan.

General Artists Corp.: 640 Fifth Ave., N.Y. 19; 9650 Santa Monica Blvd., Beverly Hills.
Lor, Patti Paige.

On ABC-TV—*Pat Boone Chevy Showroom* (Cooga Mooga). On CBS-TV—*Many Loves of Dobie Gillis* (TCF-TV). On NBC-TV—*Perry Como's Kraft Music Hall* (Roncom), Perry Como. Talent: Frankie Laine, Julius La Rosa, Johnny Ray, Peggy Lee, Monica Lewis, Denise

Other agencies representing TV talent, but not scheduled series:

Baum-Newborn Agency—Gene Barry, Robert Young.

Famous Artists Associates—Jacqueline Beer, Rory Calboun, Marlene Dietrich, Frank Faylen, Brett Halsey, David Hedison, Tab Hunter, Will Hutchins, Richard Jaekel, Lee Kinsolving, Darren McGavin, Audrey Meadows, John Smith, Clint Walker, Tuesday Weld.

Kurt Frings—Desi Arnaz, Lucille Ball, Jane Wyatt.

Milton Grossman—Amanda Blake, Richard Boone, June Lockhart, Leslie Nielsen, Dennis Weaver.

Kumin-Olenick—Lola Albright, Robert Rockwell, Craig Stevens, Bob Sweeney.

The Mishkin Agency—Chuck Connors, Lee Marvin.

Lester Salkow—Warner Anderson, Raymond Burr, Barbara Hale.

William Shiffrin Agency—Bob Mathias, Robert Stack.

Louis Shurr—Pbil Carey, Marge & Gower Champion. Clint Eastwood, Bob Hope, Debbie Reynolds, Jeff York.

Paul Small Artists—John Cassavetes, Abby Dalton, Gigi Perreau, Efram Zimbalist Jr.

ABC's Fast Start: First of the new "quick Nielsen" reports this season on the 3-way-competitive TV markets (Vol. 15:41 p8) brought a joyful whoop from ABC-TV last week.

For the week ending Oct. 4, in 24 markets during the choice TV hours of 7:30-10:30 p.m., the average-audience TV figures in the Nielsen report looked like this: ABC—18.8; CBS—19.7; NBC—16.7.

What caused ABC executives from pres. Oliver Treyz down to break out the festive bunting was that the figures put ABC-TV in second place in network rankings in the competitive markets with a gain of 11% over a year ago (17.0)—showing losses of 12% for CBS-TV (down from 22.4) and 10% for NBC-TV (down from 18.5).

"The shift won't be quite as pronounced in the national ratings for the same period, since we're not fully competitive with NBC and CBS in terms of station lineups," one ABC-TV research official conceded. From NBC, which officially has rule against handing out ratings to the press and which had almost all of its new shows on the air when the Nielsen measurements were made: No official comment.

Most likely candidate for number 2 man in TV Information Office is Stockton Helffrich, dir. of TV-radio continuity acceptance for NBC. An NBC spokesman admitted that Helffrich is "being sought for the job" by TIO and is "seriously considering" the offer. Said Hausman: "No comment. All I know is what I read in the newspapers."

NETWORK SALES ACTIVITY

ABC-TV

Gale Storm Show, Thurs., 7:30-8 p.m., one-third sponsorship for 4 wks.

Bristol-Myers (Young & Rubicam)

Daytime programming, 26 fifteen-min. segs. over 28 wks. in 3 shows.

Minute Maid Corp. (Dancer-Fitzgerald-Sample)

CBS-TV

Markham, Sat., 10:30-11 p.m., alt.-wk. sponsorship.

Liggett & Myers for Duke cigarettes (McCann-Erickson)

NBC-TV

Price Is Right, Wed. 8:30-9 p.m., Dec. 9 & 16.

Lanvin (North Adv.)

Pre-Christmas special based on "The 13th Orphan," by Paul Gallico, Dec. 9, 7:30-8:30 p.m.

Longines-Wittnauer Watch Co. (Victor A. Bennett)

The FCC

NEW LOOK AT TV STANDARDS URGED: FCC is most eager to provide more competition in TV, but after 5 years of study it's still reluctant to make changes in its engineering standards for fear of destroying more service than it creates. It's considerably less than enthusiastic, therefore, about recent suggestions that it consider revamping entire TV system in light of technical developments.

Not that FCC isn't in favor of the most exhaustive studies of all possibilities. As one FCC engineer puts it: "It's like motherhood—everyone is in favor of it. You can't be against it." The major problem is that the cost of extensive technical studies is very substantial, and the FCC is dubious about getting Budget Bureau authorization.

The latest suggestions come from William C. Coombs, Bureau of Standards engineer who contends that recent discoveries in information theory show that both military and commercial TV can be compressed into a fraction of the spectrum now used. His highly technical discussion is contained in a new report available from the Office of Technical Services, Dept. of Commerce, titled *Technical Note No. 25* (PB 151384). Speaking of commercial TV, he says: "In the vhf band, where the channels reserved for TV use are most limited in number, yet most in demand, the problem is almost entirely one of bandwidth. If the required bandwidth could be made smaller, space might be found for many more channels.

"In the uhf band, where many more channels are available, the problem has in part been one of reliability and area coverage relative to the vhf band. If greater reliability of reception could be had for given transmitter-to-receiver antenna relationships, there would be a much greater inclination for prospective users to accept uhf assignments, without the force of law.

"Eventually these 2 problems may be expected to resolve together since anything that might be done to enhance one frequency band could be applied to enhance the other band also. Since very few of the TV receiver sets in mass use in the U.S. are equipped to receive uhf, and any thought of mass movement to that band or any other band would entail major equipment conversion in any case, this is an opportune time to consider recent advances in theory which point to use of considerably revised systems as being possibly desirable in all bands."

Coombs concludes, however, that the Govt. is in a position to make more immediate use of new techniques for space communications. But he insists that there is "an immediate need for further study and evaluation in the field of human perception as related to TV system standards," because the present system can transmit far more than the "human channel" can absorb.

* * *

Another suggestion for reevaluation of TV standards was submitted to the FCC recently by William C. Boese, chief of the Commission's technical research div. He summarized developments since the adoption of present TV standards nearly 20 years ago, suggested that the Govt. finance research by an outside organization looking toward the development of an improved system.

Boese agrees with Coombs that TV channels are too wide or that they can accommodate a superior service—perhaps improved color, greater resolution, etc. He finds these faults with present standards: Too much power needed for sync signal, distortion due to use of vestigial

sideband, too much power for audio. He also believes that the present 4:3 aspect ratio should be reconsidered because movies now use higher ratios, and that there should be a close look at multicasting (several transmitters per station), low-noise parametric amplifiers for receivers, space-satellite relays, transmission from aircraft (see pp. 3 & 12).

Boese believes that an improved service might be authorized by the FCC in about 5 years—after theoretical studies, development, field testing and FCC rule-making.

Doerfer vs. Red Tape: Implacable foe of administrative delays, FCC Chmn. John C. Doerfer warned last week that many bills pending in Congress may do more to deprive the public of service than to protect it from abuses. Speaking before the convention of the National Assn. of Railroad & Utilities Commissioners in Philadelphia Oct. 13, he analyzed bills designed to make FCC and other agencies more "judicial" and to protect them from "influence." He approved of some provisions, was leery of others, concluded:

"There should be an elimination of all private attorney generals, a reaffirmation that the Commissioners are the guardian-designees of the public interest, a restriction of the right to be heard in a contest for a privilege to only those parties who have a direct interest in the sought-for license or privilege, a cut-off date after which no new parties can become parties in interest except under the most compelling reasons directly endangering the public safety or welfare, a retention of the adjudicatory procedures for those cases designed to invoke legal sanctions (e.g., revocation of licenses, reparation of rates, violation of law or rules, unfair trade practices, or other alleged infractions involving a determination of past conduct), provisions for a new or more flexible method to determine and apply agency policies as directed in the mandates from Congress, and determination of basic qualifications of applicants for the privilege to serve the public.

"What this country needs is a reassessment and rearrangement of its administrative procedural laws, not any further extension of procedural rights to those who should have no right to be in the case in the first place, nor to those who having that right are not, in fact, adversaries over property or vested rights, but merely contestants for a privilege, valuable or not to them, but essentially beneficial to the public."

FCC is still wrong about FM multiplexing & simplexing, the U.S. Supreme Court ruled last week by refusing to review the Court of Appeals decision against the Commission (Vol. 14:45). FCC had ruled originally that FM stations offering subsidiary services, such as functional music, would have to broadcast them simultaneously on a multiplexed subcarrier because such services were "point-to-point" rather than "broadcasting." WFMF Chicago had appealed, wanted to continue simplexing. (Simplexing permits home receivers to receive everything the station broadcasts, while special receivers, such as those in doctors' offices, cut out voice transmissions when activated by a supersonic signal from the station.) In the period since litigation started, many FM stations have converted to multiplexing, which is costly and sometimes introduces technical difficulties such as reduction in coverage. FCC has several alternatives now. It could decide that simplexing is all right. If it insists on multiplexing, it could establish it through rule-making. It could conduct renewal hearings for those stations which it believes are offering unbalanced programming through simplexing.

The Challenge of Sec. 315: The title, "A New Freedom—A New Responsibility," set the tone exactly for CBS pres. Frank Stanton's speech in New Orleans last week as he accepted the first Distinguished Service Award of the Radio-TV News Directors Assn. The award was for his contributions to the liberalization of Sec. 315 of the Communications Act—the political equal-time provision.

"We must abandon all thought," he said, "that the revision of Sec. 315 has brought to broadcasting any privileges. It has not. It has brought only the acknowledgment of a right—and rights involve responsibilities. This new freedom of radio & TV, above all other things, enlarges our responsibility. We will be on trial to see if we can measure up to that responsibility. If we don't, we will have our wings clipped. And thus we will have the whole odyssey to go through all over again—until, having won this new freedom, we show ourselves equal to exercising it."

Stanton took exception to FCC Chmn. Doerfer's interpretations of the new law (see p. 5) without going into detail, saying: "After reading Chmn. Doerfer's remarks of night before last, all I can say is that I hope you are right in giving me this award. I do not agree with what I understand to be the thrust of the chairman's remarks."

Stanton paid earnest tribute to the press for its support of the industry in the Sec. 315 fight. In his 3 decades in the industry, he said, he'd never seen the press "take such an emphatic and unanimous view of any issue affecting broadcasting . . . a forthright stand against any doctrine that sought to restrict the freedom of communications."

Senate's freedom-of-speech "watchdog" subcommittee (Vol. 15:38 p3) was attacked briskly last week by its minority member, Sen. Hugh Scott (R-Pa.). Speaking at the annual convention of the Pa. Newspaper Publishers Assn. in Pittsburgh, he noted that subcommittee chmn. Sen. Yarborough (D-Tex.) had said that many people had a feeling that handling of news wasn't as impartial as it ought to be. "This statement has an ominous ring," Scott said. "It raises the whole question of whether the Federal Govt. can be the judge of whether or not news is being handled impartially. I must reserve final judgment until this subcommittee finally gets under way. But since 1960 is an election year and the Democrats in control of Congress were the ones who dreamed up this 'watchdog,' I have a feeling in my Republican bones that the Democrats feel it is only fair that since they have 2-to-1 majority in Congress, they are entitled to 2-to-1 coverage in the news. It is this type of activity I urge you to observe during 'Watch Your Congress Year.'" The other member of the subcommittee is Sen. McGee (D-Wyo.). The group isn't expected to get organized until Congress reconvenes in Jan.

Footnote to history: The appeal from FCC's Lar Daly decision on political equal time was dismissed as moot by the Court of Appeals last week, upon the joint petition of CBS, NBC, FCC & Justice Dept.

Orlando Ch. 9 "influence" case remains in FCC's hands, as ordered by the Court of Appeals (Vol. 14:44), following last week's refusal by the U.S. Supreme Court to reverse the lower court. The decision had been appealed by radio WKIS Orlando, which had lost to Ch. 9 winner WLOF-TV. It wanted the case tried by a federal district court or by a special "master." The "influence" allegation involved is that Orlando attny. Wm. Dial, who had represented WLOF-TV locally, urged ex-Comr. Mack to vote for WLOF-TV. Meanwhile, John W. Kluge filed application with FCC for sale of 24.67% of WLOF-TV to Joseph L. Brechner, pres. and 17% owner, for \$350,000.

Stations

Fears of Harris Spectrum Bill: Plenty of dangerous language has been found by NAB staff members in HR-8426, the bill introduced by Rep. Harris (D-Ark.) to establish a "Frequency Allocation Board" with power to parcel out spectrum between govt. & non-govt. users, including TV-radio (Vol. 15:31). It looks, therefore, as if a substantial conflict is in the works between NAB and the Electronic Industries Assn., which takes a generally favorable view of the bill (Vol. 15:39 p2).

Said NAB TV v.p. Thad Brown, during the fall conference in Washington last week: "It could be, if a super-commission is established, that you might wake up some morning and find that nice Ch. 2, 3 or 4 taken away." However, he said he did applaud the bill's provision to establish a "govt. frequency administrator" as a czar to "knock together the heads of 34 govt. agencies" and see to it that they use their portions of the spectrum efficiently. He was very much concerned, however, that the bill would permit the "super-commission" to usurp the FCC's allocation function for non-govt. spectrum users.

Govt. relations mgr. Vincent Wasilewski was particularly worried about the bill's provision to exempt the actions of the board, the administrator and the President from the restraints of the Administrative Procedures Act—a law designed to give all parties a fair chance to learn about, challenge and appeal actions of administrative agencies. He suggested, also, that broadcasters take every opportunity to tell their Congressmen that the bill would transfer to the President many powers exercised by the FCC, an "arm of Congress."

Lester Lindow, exec. dir. of Assn. of Maximum Service Telecasters, speaking from the audience, said he was also deeply disturbed: "We share with you a very great concern. The bill has serious implications for broadcasting—and even beyond broadcasting." Other NAB discussions:

Feature film depreciation was discussed by chief counsel Douglas Anello. He called attention to recent rulings of the Internal Revenue Service, covering a station in Seattle and one in Los Angeles, refusing to permit depreciation on a declining annual scale rather than a flat "straight-line" basis. He noted that the rulings had no general application yet but he feared that they might eventually. NAB is surveying telecasters, he said, to determine what their practices are, suspecting that most prefer the declining scale. At any rate, he said, NAB would make every effort to persuade IRS to permit telecasters to choose whichever depreciation methods they prefer.

A tower-painting problem was pointed out by George Bartlett, asst. engineering mgr. He noted that FCC had set Jan. 1 as the deadline by which all towers must display orange & white bands of equal width—but that the Air Coordinating Committee (ACC) has specified that towers must have a quite different arrangement of orange, white & black. He said that NAB is trying to get the FCC and ACC to clear up the conflict.

Two applications for new TV stations were filed with the FCC last week, for Alamosa, Colo. (Ch. 3) by the owners of KCSJ-TV Pueblo, and for Wausau, Wis. (Ch. 9) by owners of WFRV Green Bay. Total on file: 109 (14 uhf).

Translator starts: K76AX Romeo-LaJara-Manassa, Colo. began Oct. 11 repeating KOAT-TV Albuquerque. K81AF Wallowa Valley (Enterprise), Ore. began Sept. 30 with KREM-TV Spokane.

NEW & UPCOMING STATIONS: This week's three new starters are KXGO-TV (Ch. 11) Fargo, N.D., which began Oct. 11 with ABC-TV; satellite KOMC (Ch. 8) McCook, Neb., which began Oct. 16 picking up NBC-TV via microwave from parent KCKT (Ch. 2) Great Bend, Kan.; educational WMUB-TV (Ch. 14) Oxford, O., which started intermittent programming Oct. 14, with regular schedule due in 10 days or 2 weeks.

On-air count changes to 557 (84 uhf) this week after adding the 3 new starters and deducting KTES (Ch. 19) Nacogdoches, Tex., which has been off the air since early July and apparently will not resume (Vol. 15:27 p10).

KXGO-TV has a used 5-kw DuMont transmitter purchased from RCA and 379-ft. tower furnished by Tower Construction Co., Sioux City. Its site is near Sabin, Minn. about 13 mi. SE of Fargo. Owner & station mgr. is John W. Boler, also operator of KXJB-TV (Ch. 4) Valley City, N.D. and affiliated KBMB-TV (Ch. 12) Bismarck, N.D.; KXMC-TV (Ch. 13) Minot, N.D.; KXAB-TV (Ch. 9) Aberdeen, S.D. Connie Blackstead, at KXJB-TV, is also KXGO-TV program mgr.; Ozzie Oren, chief engineer. Base hour is \$300. Rep is Weed.

KOMC has 10-kw GE transmitter and 600-ft. Stainless tower with 12-bay antenna 9 mi. W of Oberlin, Kan., more than 150 mi. NW of parent KCKT Great Bend, also operator of satellite KGLD (Ch. 11) Garden City, Kan. It's sold only in combination with KCKT. Bolling is rep.

WMUB-TV has 1-kw RCA transmitter and 320-ft. Truson tower with 6-section helical antenna. Owner is Miami U. Stephen C. Hathaway, director of bcstg. for Miami U., is TV mgr. & film buyer; Paul Yeazell, ex-Radio-TV Bureau of U. of Ariz., asst. director; William Utter, ex-KPTV, Portland, Ore., & Charles Myers, ex-radio WATG Ashland, O., program-production directors; Thomas Ditzel, ex-WLWD, Dayton, O., production asst.; Andrew F. Bruck, from Miami U., chief engineer.

* * *

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

WABG-TV (Ch. 6) Greenwood, Miss., which missed its Oct. 15 tarket for programming with CBS-TV, now hopes to begin before Nov. 1, reports program director Mrs. Erlene Leach. RCA 5-kw transmitter is ready and 6-bay antenna is being installed on 388-ft. Stainless tower early this month. Owner Cy N. Bahakel also operates radio WABG as well as 6 other AMs. Don Neil is sales mgr.; Joseph G. Rachuba, production supervisor; Floyd Coulter, chief engineer. Base hour will be \$200. Rep will be Weed.

KLYD-TV (Ch. 17) Bakersfield, Cal. has 12½-kw GE transmitter on hand, plans Oct. 26 start with ABC-TV, reports gen. mgr. & 20% owner Ed Urner. Studio-transmitter building has been completed and RCA antenna was scheduled for installation on 363-ft. Stainless tower by mid-Oct. John Barrett, ex-KFRE-TV Fresno, is gen. sales mgr.; Bill Hoffman, local sales mgr.; Ralph E. McElroy, ex-KFRE-TV, program director; Vern Tucker, acting chief engineer. Base hour will be \$300. Rep will be Hollingbery.

KNDO (Ch. 23) Yakima, Wash. hopes to begin in Oct. with ABC-TV, reports station mgr. Hugh Davis for owner Ralph Tronsrud, realtor. It has 1-kw RCA transmitter and 100-ft. Stainless tower. Gene Adams, ex-KIMA-TV Yakima, is sales mgr.; Leo Lyon, ex-KIMA-TV, program director; Warren Brown, chief engineer. Base hour will be \$300. Rep will be Weed.

WPCA-TV (Ch. 17) Philadelphia, Pa. plans to begin programming Nov. 15 as religious-cultural-educational non-

profit operation of Young People's Church of the Air. It has 1-kw RCA transmitter on hand, but awaits modification of CP before proceeding with further construction. Rebuilt RCA antenna will be installed on radio WRCV's former 600-ft. tower, which WPCA-TV will share under lease arrangement with present owner George Voron Co. Base rate will be \$270 for half hour. Rep not chosen.

KVOG-TV (Ch. 9) Ogden, Utah, has given up Oct. target, its Gates 5-kw transmitter now scheduled for delivery Nov. 1, reports David B. Affleck, asst. mgr. of radio KVOG. Studio-transmitter construction is 75% completed, but work on 400-ft. Utility tower hasn't begun yet. Network affiliation hasn't been signed and base hourly rate hasn't been set. Rep will be Grant Webb.

CJCB-TV-1 (Ch. 6) Inverness, N. S. expects to start programming at end of Oct. as satellite of CJCB-TV (Ch. 4) Sydney, N. S., according to pres. & gen. mgr. J. Marven Nathanson. GE 1.5-kw transmitter was scheduled to arrive Oct. 10, Alford antenna Oct. 15. It will be an automatic repeater, operated by remote control, and included as bonus with CJCB-TV, which has \$275 base hour. Reps are Weed and All-Canada.

Station Promotion Forum: NBC chmn. Robert W. Sarnoff will keynote the Nov. 2-4 Broadcasters' Promotion Assn. convention in Philadelphia's Warwick Hotel. Among the "how to" sessions on the program:

Nov. 2—*Public service*, by Corinthian Bcstg. pres. C. Wrede Petersmeyer & gen. mgr. Frank Shakespeare, WCBS-TV N.Y. *Merchandising*, mgr. Max Buck of WRCA-TV N.Y. and pres. Emil Mogul of Mogul, Williams & Saylor Inc. *Creating a station image*, mgr. R. C. (Jake) Embry, WITH Baltimore, and Arthur C. Schofield, Peoples Bcstg. Co. *Trade ads*, R. David Kimble, Grey Adv., and pres. Henry J. Kaufman, Henry J. Kaufman & Associates, Washington, D.C.

Nov. 3—Simultaneous "shirtsleeve sessions:" *Audience promotion*, promotion mgr. Robert V. Freeland, KOTV Tulsa. *Sales promotion*, promotion mgr. Jack Williams, WBZ Boston. *Trade paper advertising*, sales promotion mgr. Kirt Harriss, KPRC Houston. *Merchandising*, promotion mgr. Heber E. Darton, WHBF Rock Island, Ill. *Publicity & exploitation*, publicity-promotion dir. Elliott W. Henry Jr., WBKB Chicago.

Nov. 4—"The Role of Promotion & Promotion Managers in the Future of Radio & TV," publisher James T. Quirk, *TV Guide*, "How to Equip Your Rep," pres. H. Preston Peters, of Peters, Griffin, Woodward, and pres. Adam J. Young, Adam Young Inc.

Contract to sell WJAR-TV & WJAR Providence and their parent Outlet Co. dept. store was canceled last week by trustees for the company's founders, who hold majority control. This was a victory for station gen. mgr. J. S. (Dody) Sinclair, chief beneficiary under the Outlet stock trust, who has been fighting in the courts to overthrow the 11-month-old sale agreement (Vol. 14:49 et seq.). Cancellation of the contract came immediately after R.I. Superior Court Judge William B. Mackenzie ruled that the prospective purchaser—William Zeckendorf's 91065 Corp.—had no right to intervene in the legal battle between Sinclair and the trustees. "We have not given up," said Zeckendorf's counsel Maurice Iserman after the cancellation. "We will follow some further legal action, but at this moment we do not know just what it would be."

World-wide hi-fi broadcast is scheduled by United Nations Radio Oct. 24 in celebration of United Nations Day. More elaborate than last year's performance which won applause from hi-fi fans, this year's 2-hour concert performance will originate in Moscow, Geneva & N.Y., featuring outstanding orchestras and performers in each country. Radio stations in about 40 countries will carry the 3-5 p.m. (EDT) show live, another 35 by transcription. European originations will be fed through 3 separate sections of trans-Atlantic cable, resulting in a bandwidth of 8 kc. Moscow originations will be carried to Geneva on 7-kc lines. The concerts can be carried in full fidelity only on FM stations. U.N. Radio operations mgr. Joe Nichols is shooting for a world-wire stereocast for U.N. Day 1960.

Only one new Canadian TV station was recommended for approval by Board of Broadcast Governors after Sept. 28-30 hearings. Application for Ch. 4 outlet at Grand Falls, Newfoundland, by CJON-TV (Ch. 6) St. John's, was okayed, but request for low-power French-language Ch. 12 station in New Carlisle, Que., by La Television de la Baie des Chaleurs Inc. was denied because it wouldn't provide adequate service to the surrounding area. Other recommendations were for power boosts—to 55.4-kw for CFCJ-TV (Ch. 2) Port Arthur, Ont., and to .197-kw for CBYT (Ch. 5) Corner Brook, Newfoundland, now sold as bonus with CBC's CBHT (Ch. 3), Halifax, N. S.

Sale of 90% of KSHO-TV (Ch. 13) Las Vegas by Television Co. of America Inc. to Nevada Broadcasters Fund Inc. for \$137,500 is sought in an application filed with FCC last week. Mervyn L. Adelson, present 51% owner, will hold 10%. Officers will be: R. G. Jolley, pres. (pres. of radio KLAS Las Vegas); A. H. Kelson, v.p.; James C. Wallentine, secy.-treas. (40% owner of radio KVEL Vernal, Utah).

Educational Television

More about

TV GOES FLYING AGAIN: When Texas A&M alumnus Charles E. (Chili) Nobles gift-wrapped Westinghouse's Stratovision gear and presented it to his Alma Mater as a Christmas gift in Dec. 1952 (Vol. 8:51 p8), he had no way of knowing he was casting bread upon the waters. He knew only that FCC, in its 6th Report, which ended the TV freeze in April 1952, had concluded that the airborne TV service would be a deterrent to the growth of local TV. So Westinghouse and Nobles wrapped up 3 years of experiments (Vol. 4:26 p4) and contributed the equipment to education.

Last week, education began to pay dividends on the investment. From the Midwest came announcement of a mammoth project to upgrade the quality of teaching by TV and to mushroom its scope. Newly-formed Midwest Council on Airborne TV Instruction (MCATI) was teamed with Ford Foundation and various industrial giants in a \$7-million, year-long experiment to determine the feasibility of mass TV instruction via airborne relay, a la Westinghouse's Stratovision (see p. 3). One of MCATI's technical advisors: Chili Nobles.

The ambitious project is slated to go airborne in Sept. 1960, and carry through the full academic year into June, 1961. The plan: using a single transmitter-equipped DC-7 circling 4-5 miles high over the Lafayette, Ind. campus of Purdue U., MCATI will relay ETV programs from Purdue

to a potential of 5 million students in 13,000 schools & colleges in a 125,000-square-mile area stretching across Ky., O., Ind., Ill., Mich. and Wis. The "flying TV station's" estimated coverage will be a circle some 400 miles in diameter, reaching from Milwaukee & Detroit to Cincinnati & Louisville.

The opening schedule calls for transmission of 24 half-hour video-taped lessons 6 hours daily on 2 uhf channels. The telecasts will originate from ground facilities on the Purdue campus and be re-transmitted from the plane. The plane will carry 2 uhf transmitters to provide simultaneous transmission of 2 different programs. Ultimately, the Council hopes to increase the simulcasts to 6.

Authorization for the experiment will be sought from the FCC by the Purdue Research Foundation, which will operate as the command center for the overall project. Details of the experiment have been explored with FCC staff experts and Purdue U. is slated to submit its formal application shortly. The grant of an experimental license by FCC is anticipated before year's end.

The experimental program also involves the testing of "narrow-band" telecasting on 2 special channels which will carry the same programs as the conventional uhf channels. The "narrow-band" TV transmission & reception techniques were developed under the direction of CBS Labs' pres.-dir. Dr. Peter C. Goldmark, who also will serve as the Council's technical consultant. The new technique, which uses lower field rates and higher-persistence TV tube phosphors, gives promise of doubling the number of channels which can be made available in a given portion of the spectrum. MCATI chmn. & onetime (1953-56) U.S. Commissioner for Education Dr. Samuel Brownell told us that some 10-12 schools will participate in the "narrow-band" tests and they will be equipped with special TV receivers. Hundreds of schools will cooperate in the uhf tests.

Westinghouse has worked closely with the Council on technical aspects of the experimental program. Engineering v.p. Dr. J. A. Hutcheson said: "The technical feasibility of Stratovision has already been proved, but this experiment will afford an excellent opportunity to test the reliability of the electronic equipment and aircraft on a day-to-day as well as year-to-year basis. The system is practical, is far and away the most economical ever conceived for the purpose of utilizing TV as an educational tool, and is one which can be brought into being in the absolute minimum of time."

The area to be served by the airborne test currently has 9 ground-based ETV stations which reach some 4,000 schools. Construction of additional stations to provide the coverage promised by airborne TV would cost "many times" the \$7 million involved in the cost for the first year for all equipment & broadcast, Council officials pointed out.

The Ford Foundation has set aside \$4.5 million for the project and will match donations of other groups. Dr. Brownell told us the "risk capital" for the project will be forthcoming from business & industry.

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Educators Progress Service, Randolph, Wis. offers its new 1959 *Educators Guide to Free Films*. The \$7 compendium lists 4,223 titles of free films on 639 pages between its soft covers, was compiled by John W. Diffor of Randolph High School and Mary Foley Horkheimer.

National Education Assn. series of 13 half-hr. films on "vital educational issues" will be given air time in 260 markets starting Oct. 23. The films are produced for the NEA by Arthur D. Morse, dir. of CBS-TV's *See It Now*.

Advertising

NEW YARDSTICK FOR ADMEN: TV furthered its claim to being the "most-researched" ad medium last week with a trio of new agency-slanted research studies released by 2 leading station rep firms and by TvB.

The first, from NBC Spot Sales, throws new light on the role timebuyers play in spot buying and in agency preferences on spot campaigns. The second, from Westinghouse-owned TvAR, charts a potentially strong TV market for cigaret advertisers. TvB's report, third of the studies, compares TV viewing with attention to print media. Capsule summaries of the 3 new studies:

NBC Timebuyer Opinion Panel: The 5th of NBC Spot Sales' queries on agency practices, this latest study drew replies from 249 TV personnel at 171 agencies. One series of responses bears out a trend we reported exclusively earlier this year (Vol. 15:18 p9) concerning growing agency interest in 30-sec. announcements: The majority (80%) of panelists said they had "not had occasion to recommend" 30-sec. full-station-break campaigns, largely because the number of stations offering them is still limited. But what NBC described as "a great many more" would use 30-sec. announcements "under the proper circumstances" of prime-time availability, need for extra-length commercials, more 30-sec. offerings and attractive price, the study reported.

Ideal pricing for 30-sec. announcements, in the minds of the NBC-queried admen, brought an interesting set of opinions. In the larger (over \$5 million billings) agencies, 10% of panelists deemed 30-sec. spots "a good buy at more than the combined 10 and 20-sec. rate" and another 46% considered them a bargain at a straight combination of 10-plus-20. Chiefly, NBC's Timebuyer Panel felt that "exclusivity in the station break" (since the 10-sec. ID spot that's usually paired with a 20-sec. station-break spot would be excluded) was the big attraction to the average buyer, with "adjacency to high-rated network programs" on both sides of the spot as runner-up.

In some of the Panel study's other findings, 7 out of every 10 (68%) reported that agency creative departments wield "much influence" in setting commercial lengths and only 38% of panelists said the same about agency clients; nearly all (98%) felt it was "not a good practice" to promote 2 products in a 20-sec. spot and 71% didn't favor the practice in one-minute commercials; 8 out of 10 spot buyers had recommended ID campaigns primarily in saturation spot drives.

TvAR study: Daytime TV, largely ignored by tobacco companies, is "the ideal time" for selling cigarettes to women, stated the first of a series of Brand Comparison Studies prepared by Robert Hoffman, mktg. & research dir. of TV Advertising Representatives, covering the 5 major markets in which Westinghouse has TV stations.

Among women in the 18-34 age bracket, 60% smoke, TvAR learned in a survey of 7,527 persons, and more smoke filters than non-filters. In the 35-49 bracket, the use of cigarettes drops to 54%, and drops again to 37% among women over 50. The low figure in the latter group, stated Hoffman, "is indicative of the fact that older women never took up smoking." Added Hoffman: "Few cigaret companies have used daytime TV. Last May, for example, they sponsored 33 nighttime network shows and only one daytime program."

Examining another product area, the TvAR study reported that 85.6% of the younger (18-34) women purchased popular brands of shampoo. As with smoking, consumption dropped off with age groups, with only 65.5%

of the women over 50 reporting that their families used various shampoo brands. Wide variations were noted in the popularity of individual shampoo brands (suggesting, indirectly, that spot TV campaigns were needed to boost appeal in problem markets). The shampoo that ranked first in Baltimore, for example, was third in Boston. Pittsburgh was the market with the highest percentage (83.2%) of families using shampoo.

TvB research: In a printed booklet titled *How Big Is Big?* TvB, which recently issued a special audience composition report (Vol. 15:39 p10), took a look last week at "just how big some of these audiences are in some comparisons with total audiences of magazines & newspapers."

Among key findings: More men (about 23 million vs. 10 million) and more women (27 million vs. about 13.5 million) view TV in every time period between 6 p.m. and 10:30 p.m. on the average day "than read any magazine or Sunday supplement." Also, in morning hours between 10 and 10:30 a.m. every weekday, TV reaches "more women than any woman's magazine" and between noon and 12:30 p.m. every weekday, TV reaches "more men than any men's magazine."

In terms of newspaper readership, TvB's report stated that "more people in the country (116,521,000) view TV between 6 p.m. and midnight than read daily newspapers (104,414,000) all day in the whole country."

Sweet Smell of Success: There's a sudden upsurge of interest this season in the use of network TV by leading perfume houses. Coty Inc. last week made its first network video buy, signing with ABC-TV, via BBDO, for a daytime participation schedule in portions of *American Bandstand*, *Gale Storm Show*, *Beat the Clock*, and *Who Do You Trust*. Said Coty mktg. dir. Wallace Drew: "We are moving from a key-market spot-TV advertising program to back over expanding distribution in all markets."

At NBC-TV, Lanvin also took its first big TV plunge last week, signing as a sponsor of *The Price Is Right*, via North Advertising, to start Dec. 9. Like Coty, Lanvin has previously limited its TV efforts to seasonal spot campaigns. At CBS-TV, Revlon plans to merchandise its perfume lines heavily with the aid of the 90-min. Goodman Ace-produced specials alternating with *Playhouse 90*.

TV Westerns don't sell goods, even though they corral big audiences, 2 researchers said last week. Many Westerns "are seedy salesmen who make the most calls, not qualified salesmen who bring in the orders," said Horace Schwerin, head of Schwerin Research Corp., to the Best Advertising Club in Chicago. "Despite Westerns' circulation, [our] studies have repeatedly shown that commercials placed in [Westerns] seldom have efficient sales results, much less create desirable impressions regarding the companies involved," said Schwerin. TV Personal Interviews Inc., in a study on "awareness" of compact cars, said that Western viewers showed the highest awareness but family show viewers numbered higher in actual purchasers.

People: William B. Templeton named Cunningham & Walsh TV-radio v.p., succeeding Edward Mahoney, resigned . . . E. A. Snow elected adv. v.p., Procter & Gamble . . . Neil R. McBain and Eugene L. Kolkey named v.p.'s, Leo Burnett . . . Rosser Reeves, Ted Bates chmn., elected to the Adv. Federation of America board . . . David Lippincott, McCann-Erickson associate creative dir., elected v.p.

Television Digest

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WALTER H. ANNENBERG, President

PUBLICATION OFFICE

JAMES T. QUIRK,
Business Manager
JAMES B. DELEHANTY,
Asst. Business Mgr.

Box 700, Rodnor, Pa. MUrray 8-3940

MERRILL PANITT, Editorial Director
HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Sterling 3-1755
ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.
New York 22, N.Y.
Plaza 2-0195
CHARLES SINCLAIR

WEST COAST BUREAU

6362 Hollywood Blvd.
Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

MARTIN CODEL
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Personals: Ken Johnson, ex-NBC-TV spot sales rep, named sales mgr., WNBQ Chicago, succeeding the late Russell Stebbins (Vol. 15:35 p10) . . . Charles Hutaff named promotion mgr., WGR-TV & WGR Buffalo, N.Y. . . . Robert White, ex-NBC-TV production supervisor, named TNT production dir. . . . Elliot Millner, ex-Doyle, Dane Bernbach, named ITC research dir. . . . Harold M. Spielman promoted to a Schwerin Research Corp. v.p. . . . Gerald Rowe, ex-Lennen & Newell, named Paramount Pictures adv. mgr.

Norman Felton appointed gen. program exec., CBS-TV, Hollywood, in charge of *Playhouse 90* and taped segments of *GE Theatre* . . . George McCaughna named dir. of network operations, CBS Radio, Hollywood . . . John Leo, ex-United Artists Associated, named Governor Television Attractions sales v.p., headquartering in Los Angeles . . . Gregg Murphy, mgr., Katz Agency Atlanta office, named pres. of Atlanta Radio & TV Station Reps Assn.

Lawrence M. Turet named exec. v.p. & station mgr., WXIX Milwaukee, Wis. . . . Jack Sullivan named promotion dir., Queen City Bestg. Co. (KIRO-TV & KIRO Seattle) . . . Bart Clausen named editorial research supervisor, KYW-TV & KYW Cleveland . . . William Horstman promoted from commercial production supervisor, WKRC-TV Cincinnati, to station operations dir.

Tom McDermott, Four Star Films production v.p., recovering after a collapse attributed to exhaustion . . . Leonard S. Gruenberg named v.p. of NTA International, in charge of distribution of the theatrical film "Windjammer." . . . Bruce Lansbury, ex-asst. program dir., KABC-TV Los Angeles, joins CBS-TV in Hollywood as asst. dir. of program development.

A. K. Morrow promoted from CBC asst. controller of operations, Ottawa, to dir. of English networks & the Toronto area, succeeding H. G. Walker (Vol. 15:41 p12); Fergus J. Mutrie promoted from Toronto TV operations dir. to succeed Morrow with the title of operations dir.; E. S. Hallman named dir. of network programming (English).

Vernon Bronson, dir. of educational WTHS-TV Miami has been commended for "his many significant contributions to educational TV in Florida and the nation" by the Florida Educational TV Commission . . . W. A. Smith named promotion dir., CHAB-TV Moose Jaw, Sask., Can.

David W. Gottlieb has been named gen. mgr. of Lee Newspapers only—not Lee TV-radio stations as reported in Vol. 15:41 p12. Herbert R. Ohrt is pres. of Forward Television Inc., formerly known as Lee Stations, which continues to be headquartered in Mason City, Ia.

Meetings this week: RCA TV studio equipment seminar (Oct. 19-22), RCA Bldg. 2-1, Camden, N.J. Ky. Bcstrs. Assn. fall meeting (22-23), Phoenix Hotel, Lexington. Wis. Bcstrs. Assn. annual fall meeting (23-24), Madison; FCC Comr. Robert E. Lee will speak. National Educational TV & Radio Center annual meeting of ETV station mgrs. (24-26), 10 Columbus Circle, N.Y.

Meetings next week: National Assn. of Educational Bcstrs. annual convention (Oct. 27-30), Hotel Sheraton-Cadillac, Detroit. Radio & Television Executives Society luncheon (28), Grand Ballroom, Roosevelt Hotel, N.Y.; Chester Bowles and CBS news v.p. Sig Mickelson will speak. N. J. Bcstrs. Assn. fall meeting (29-31), Nassau Inn, Princeton. Minn. Bcstrs. Assn. (30), Hotel Radisson, Minneapolis. Mo. Bcstrs. Assn. (30-31), Muehlebach Hotel, Kansas City.

Associated Counselors International, 1502 Massachusetts Ave. S.E., Washington 3, D.C., Negro PR firm, has named Robert McEwen TV-radio services dir. The firm provides industrial & commercial market data to the Negro community and Negro-consumer information to management. McEwen is in his 7th year as producer & host of Washington's *Capital Caravan* TV show, which ACI says is the oldest continuous Negro-produced TV show in U.S.

Three RCA pioneers received the Christopher Columbus International Award for outstanding achievement in telecommunications, at the 7th International Congress on Communications Oct. 12 in Genoa, Italy. The award was presented by Italian pres. Giovanni Gronchi to RCA chmn. Brig. Gen. David Sarnoff and senior exec. v.p. E. W. Engstrom, and to honorary v.p. V. K. Zworykin, in absentia.

Simon B. Siegel, AB-PT financial v.p., will attend ceremonies in Paris of the opening of a modern disc-pressing plant of the Societe d'Applications Industrielles Plastiques—of which AB-PT is part owner. SDIP is the European distributor of Ampar records, an AB-PT subsidiary.

U.S. telecasters are lax in protecting their interests at current international radio conferences in Geneva, according to Lester Lindow, exec. dir. of Assn. of Maximum Service Telecasters. He returned recently from European tour during which he worked for a time with the U.S. delegation. TV hasn't figured significantly in the conferences so far, he said, but it's possible at any time for someone to offer a proposal inimical to American TV allocations. Therefore, he said, U.S. should have 3 or 4 top-flight station representatives on hand, preferably those with engineering backgrounds. According to Lindow, most of the American delegates are interested primarily in non-broadcast matters.

John E. Fetzer, owner of the Fetzer stations (WKZO-TV Kalamazoo, KOLN-TV Lincoln, Neb., etc.) and other broadcasting-connected officers of the Detroit Tigers (Vol. 14:14) have stepped aside to give the new management of the American League baseball club a full chance to develop the team. Fetzer, Harvey Hansen, Kenyon Brown, Paul O'Bryan and George Coleman declined to run for office again after Bill DeWitt was named as pres. of the American League club. They will continue to sit on the Tigers' exec. committee.

Obituary

Russel W. Rome, 48, former ASCAP executive, died Oct. 13 in Greenport, L.I., after a fall resulting in a fractured skull and brain hemorrhage. He is survived by his widow, his mother and a brother.

Film & Tape

MAJOR STUDIOS' TV TROUBLES: The major movie studios have always had a difficult time in TV, but this season may be their roughest, even though they have more series on the air. It's already evident that their new TV series are generally disappointing and failing to attract really sizable audiences.

Initial reaction to most of the majors' new series has ranged from poor to "it has potential," not a single new show receiving acclamation from press or viewers.

Until this season, the most successful major in TV has been Warner Bros., mainly due to the popularity of its *Maverick* and *77 Sunset Strip*. However, WB's new entries show no sign of remotely paralleling their success. *Hawaiian Eye*, *The Alaskans*, *Bronco* and *Bourbon Street Beat* received mainly negative reaction from the press, and their ratings were not good. Opinion in Hollywood is that "Beat" is the only one with some promise at this stage.

Another disappointment is 20th-Fox, from which much was expected since Martin Manulis took over its TV reins. Not one of Manulis's new shows is a hit, and only one is regarded by critics as potentially good. *Adventures in Paradise* was so poorly received by press and public alike that 20th-Fox production chief Buddy Adler was called into the picture hastily by ad agencies involved, and he is now overseeing that project personally (see p. 16).

The same studio's *Five Fingers* received reactions and ratings which were far from impressive. Some comment on the 60-min. entry was good, but most critics felt the show was a miss. Highly-touted *Dobie Gillis* was the only 20th-Fox series which fared fairly well. While some critics felt it was disappointing and too "cute," it was generally believed the comedy series holds some promise.

As for Screen Gems, only one of its new series thus far has aroused raves or high ratings. None faintly approaches SG's successful *Father Knows Best*. SG's *Dennis the Menace* drew mixed press reviews; *Manhunt* and *Tightrope* received so-so to good comment, the latter getting fairly good ratings. (However, last week *Dennis the Menace* scored a ratings upset when it outpointed *Maverick* in the Arbitron rating.)

MGM-TV has no first-runs on the air. Paramount failed to sell a single pilot. Universal-International has shied away from TV for several years, after it filmed a series which it couldn't sell. Allied Artists, once active in TV production, has no TV series going now. Walt Disney Productions has no new entries this season, returning with its 60-min. *Walt Disney Presents* on ABC-TV.

It was only a few years ago, when the majors first came into TV, that such a leading independent producer as Desi Arnaz predicted gloomily the major studios would wind up with most of the TV film business. Just the reverse is true, with the independents still the dominant power in TV film today—the lone exception being Warners.

Mae West's breezy chatter, video-taped for an appearance originally scheduled for Oct. 16 *Person to Person* series, was considered a bit too gamey late last week by CBS-TV, which felt that "certain portions . . . might be misconstrued," and quickly substituted a visit by program host Charles Collingwood to James & Pamela Mason. At a special closed-circuit press screening of the in-question tape Oct. 15, it was obvious that the durable Miss West was up to her old conversational style, but equally obvious that CBS-TV, with the quiz-show probe in full swing, was playing it very, very safe with its public image.

CBS Films' Record Output: CBS Films has set aside a record production budget for pilot-making and series production, we're told by program v.p. Robert Lewine. On the Coast last week with admin. v.p. Sam Cook Digges to open an office there, Lewine said the new product will be aimed chiefly at network sales, not syndication.

"We've raised our sights. *Navy Log* is the only show we have ever had on a network, and in order to become a real factor in the field, we will make top-quality product which will be good enough for network use. We are not going to neglect syndication, but a network series is much like the 'A' picture of the movie industry, while syndicated series resemble the 'B' movies," said Lewine. The company plans to turn out about 6 new series for next season.

Pilots will be made unless the reputation of a star, packager or producer of a series is good enough to assure a blind sale. CBS Films will turn out series aimed at all networks—not just CBS-TV. If a series does not sell to the networks, it will then go into syndication, Lewine said.

Temporarily headquartered at KNXT's building in Hollywood, Lewine and Digges are scouting for permanent headquarters. Lewine will spend his time commuting between both coasts, and supervising CBS Films production.

CBS Films will rely on independent producers for much of its output, and plans co-production ventures with packagers or independents.

Producer Exodus Continues: Exodus of Hollywood TV producers is continuing at a pace far above normal for this time of the year (Vol. 15:41 p14). Unhappiness with the product, differences of opinion on the direction a show should go—these are some of the principal reasons for the continuing turnover.

Latest to leave are Frank LaTourette, released by CBS Films, for which he produced the new-format *The Lineup*, Alvin Cooperman, producer of Four Star's *Du Pont Show* starring June Allyson, and Bill Harmon, producer of *Goldie* starring Betty Hutton. Succeeding La Tourette will be exec. producer Edgar Peterson, the 3rd producer on the series this season. The first 2 shows were produced by Jaime Del Valle. Harmon, the third producer of the Hutton series, was replaced by Marvin Marx. Originally Stanley Roberts, who created *Goldie*, was the producer, but he left after disagreement with Miss Hutton on policy and format. He was followed by Frank Baur, who quit after only one day on the job.

Fred Wile left MGM-TV, where he has been in the business dept., and joined John Guedel Productions.

Meanwhile, Roy Huggins, Warner Bros. producer laid off 3 months ago by the studio, went back on the payroll last week, the winner of his long dispute with the studio. The former producer of *Maverick* is back at work, preparing movies—and no longer under supervision of TV dept.

MGM-TV's telefilm plans for the 1960-61 season will be the subject of the Metro offshoot's first major TV press conference to be held in N.Y. Oct. 19. Among items due to be discussed, TV v.p. George Shupert of MGM told us, are a series of 12 planned MGM-TV film series (some of which have already been offered to networks & agencies), co-production deals made by the company, the status of pending network sales, and the announcement of "some new TV executives." MGM-TV, which has not had notable sales luck with such properties as *Father of the Bride* and whose *Thin Man* series is now in reruns, has no new show on the networks so far this season.

NEW YORK ROUNDUP

This is 'Paradise'? Although top-ranking studio production boss Buddy Adler of 20th-Fox is now in charge of TCF-TV's ailing *Adventures in Paradise*—a show which has proved a critical letdown after one of the biggest publicity build-ups in years—the show's troubles are far from solved. New problems are being added to those of finding story properties and a producer to replace Martin Manulis (Vol. 15:41 p15).

One participating sponsor, 7-Up Corp. via J. Walter Thompson, has already cancelled, and another, L&M Cigarettes via D-F-S agency, is quietly looking for a replacement show. Others are biding their time to see whether the addition of more action-adventure and the axing of storylines & dialog that sound like warmed-over remakes of "Rain" will do the trick. In N.Y., Lennen & Newell (Reynolds Metals) TV-radio v.p. Nick Keesely told us, "We weren't too happy with 'Paradise' initially, but the fact that Buddy Adler has stepped in makes the outlook encouraging."

"Paradise," one of the keystones in ABC's experimental block-programming of 1-hr. shows this season, gained another distinction last week. Appearing as a guest on the Oct. 11 WNTA-TV N.Y. *Open End* show was McCann-Erickson sr. TV-radio v.p. C. Terence Clyne, who was promptly quizzed by host David Susskind on the subject of the 20th-Fox show, in which M-E has a client. Admitted TV adman Clyne, referring to a notable M-E program failure on ABC-TV 2 seasons ago, "It's been our biggest disappointment since Sinatra."

Filmways, the commercial film firm that has been producing *21 Beacon Street* starring Dennis Morgan, will continue production on the series, even though it currently lacks a network berth or a sponsor. The private-eye series is aimed at the networks as a mid-season replacement.

NTA's taped *Mike Wallace Interview* has been bought by Independent Grocers Assn. for telecasting on WKY-TV Oklahoma City, putting the 30-min. program as a late-night strip in 6 markets.

Trans-Lux TV Corp. has set Jan. 1, 1960 as the general TV release date for its 52-episode *Felix the Cat* cartoon series, which Trans-Lux has been selling in regional & station-group deals. Gross to date on "Felix" is \$2 million, said Trans-Lux v.p. Richard Carlton. Market lineup should reach 75 by Jan., he added.

Unique opportunity to compare a TV remake of an old movie with the original version occurred in N.Y. Oct. 13. Within a few seconds of the conclusion of the Ford-sponsored "The Jazz Singer" on NBC-TV at 10:30 p.m., WOR-TV unreel the 1927 Warner Bros. version starring Al Jolson in its *Million Dollar Movie* showcase.

Cartoons from Soviet Union and many Russian satellite countries are being packaged by Flamingo Telefilm sales div. of Buckeye Corp. for TV release in about 60 days. First group will contain 130 color cartoons of 4½-min. length, and will be dubbed in English from original tracks in Russian, Polish, Czech and Yugoslav. It's not a film-for-film swap with the Soviets, however. Flamingo acquired the package from MJP Production, N.Y., which had been assembling them quietly for some time. Originally used as theatrical cartoons behind the Iron Curtain. They'll be sold to stations in unlimited-play library deals.

HOLLYWOOD ROUNDUP

REACTION AGAINST VIOLENCE: Knowledgeable Hollywood TV film executives think there may be a public reaction against so many shows with violence in them, and are looking to lighter types of fare as the answer in 1960. There are 47 filmed series on TV networks today in which violence plays a prominent part, as compared to 39 in 1958 and 27 in 1957.

Obviously, the increase in network shows with violence is largely due to the Western and private eye trends. ABC this season has 18 series in the "violent" category, followed by NBC with 15 and CBS 14. Last year the balance was more evenly split, NBC leading with 14, CBS 13, and ABC 12. These compilations do not include anthology series, which have episodes dealing with violent themes.

Behind the scenes, the increased number of such shows has disturbed some executives, and as a result, much of the planning for next season is in the other direction, with comedy given the best chance for a resurgence in 1960.

Hollywood executives we've checked say it isn't a case of too many Westerns or private eyes. Their contention is that, added up, it's a case of too many violent series, regardless of the category into which they fit.

Most companies are keeping details of their 1960 projects under wraps because they don't want to tip the competition, but there's scarcely a major TV outfit in Hollywood which isn't planning some comedy properties.

In addition to the network series with themes dealing in varying degrees of violence, there are at least 15 syndicated series with violent themes in production in Hollywood today. These record figures don't include some foreign-made series of the same type.

Four Star-Republic Talks: Four Star Films is negotiating to lease the entire Republic Pictures lot, but a negotiator for Four Star told us last week that "chances are 75% against the deal going through." Four Star currently has a 4-year lease at Republic's San Fernando Valley lot, and utilizes about 75% of its space. Four Star has 9 series and handles production of one other.

Republic pres. Victor M. Carter is understood to be seeking certain guarantees on the number of series Four Star would produce under such a lease, and this is the stumbling-block. Four Star pres. Dick Powell told us the lease deal had been proposed by Carter. Carter said that Republic is not going into TV production now but added his company might consider it later and finance independent companies.

ITC has signed John Compton to star in *Fury*, replacing Peter Graves, who will star in the company's new series, *Whiplash*. . . Four Star Films and Stewart Granger have set a co-production deal for *Safari*, a 60-min. series to be filmed in Africa, with Granger as producer-star.

Contract of Gardner McKay, star of 20th-Fox's *Adventures in Paradise*, has been renewed for a year. . . Production begins in Nov. on 7 *New Frontier* segments and 13 *Whodunit* episodes at 20th-Fox, with "Frontier" slated for a Jan. start on CBS, *Whodunit* on NBC in Jan.

California Studios began production last week in Tokyo on an untitled pilot produced by Bernard Girard.

Trade Report

OCTOBER 19, 1959

DISCORDANT SOUNDS FROM STEREO MARKET: Distortion has developed in the rhapsodic music those stereo-phonos were expected to play on industry cash registers this year. Without question, sales are not up to earlier anticipations. Four of 8 manufacturers we spoke with told us candidly that buying is lagging far behind pre-season estimates. Two others said sales are hewing to schedule, but no major increase was anticipated over last year's pace. Only 2 manufacturers reported sales ahead of projections.

Most unhappy note was struck by one of largest TV-radio-stereo makers who revealed that sales are so far below expectations they've actually skidded behind those of last year. All others reported 1959-over-1958 increases, even if not on target. Big private labeler Dynamic Electronics-N.Y. counts a 30% increase in 1959-over-1958 business, with own-brand units running some 60% ahead. Our informants with gloomiest reports said that usual Sept.-Oct. buying splurge is running at a trickle, claimed sales lag is industrywide and blamed stereo's failure to blossom as anticipated on steel strike, overproduction, dealer & public confusion. Below-par sales performance of packaged sets parallels that of also-off-pace components (Vol. 15:41 p18).

Pre-season enthusiasm may have been based more on wishful thinking than on fact. Projections by research department of one large manufacturer indicate that anticipated bonanza market for stereo just wasn't in the cards for 1959. This company's figures show:

Industry last year sold 4.1 million phono units at retail value of \$402 million. This estimate is based on EIA statistics (Vol. 15:37 p13). Of total, 3.4 million units were priced at \$75 and higher, with retail value of \$334 million. Through July 31 this year, industry had sold 1.7 million of the \$75-&-higher units, at retail value of \$171 million.

For all of 1959, fewer \$75-&-higher units will be sold than last year (but at higher dollar volume), the manufacturer's projections indicate. Against 3.4 million sold in 1958, industry this year is expected to sell 3.1 million, at retail value of \$350 million, up from last year's \$334 million. Total phono sales are expected to be up somewhat—to 4.8 million units from 4.1 million, at retail volume of \$500 million vs. 1958's \$402 million.

Higher retail income on fewer sales of higher-priced sets, projected above, is borne out in our survey which found manufacturers unanimous in tagging instruments in the \$300 range as their best sellers and noting better-than-usual movement of high-end instruments. Other overwhelming trend noted is near-extinction of 2-piece stereo units. Columbia Phonograph v.p.-gen. mgr. James J. Shallow told us self-contained units account for 80-90% of sales. Westinghouse marketing mgr. C. J. Urban reports single units outselling multi-piece stereos by 10-to-1.

Consumer confusion over channel and power claims was nominated as chief sales deterrent by many: Dynamic Electronics-N.Y. pres. Jack Winer, Zenith exec. v.p. Leonard Truesdell, Columbia's Shallow, Westinghouse's Urban. Motorola, however, reported dealers & distributors "delighted" with 3-channel stereo, and said: "It's no more difficult to demonstrate than a 23-in. TV set. We find no confusion. No dealer gripes." However, consensus is that industry must unconfuse public and standardize. One leader put it this way:

"Dealers & consumers were just beginning to develop a feel & understanding for 2-channel stereo when the industry muddied the waters by introducing 3-channel sets. Not only are buyers confused again, they're now waiting to see if someone will bring out a 4th channel, a 5th, and so on." All are agreed that industry will standardize next year at least to extent of single-piece stereo. Most agree that channel standardization will come, but they differ on whether winner will be dual or triple channels.

As for 1959's boom business, consensus is "wait till next year," barring of course, a tremendous and unanticipated spurt in sales between now & Christmas. Our survey covered Admiral, Columbia Phonograph Dept., Dynamic Electronics-N.Y. Motorola, Philco, RCA, Westinghouse, Zenith.

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 9 (40th week of 1959):

	Oct. 2-9	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	181,845	192,383	127,125	4,687,003	3,696,093
Total radio	429,245	467,129	314,884	11,357,650	7,990,842
auto radio	136,815	183,656	93,088	4,288,961	2,457,568

NO MORE 'SAFETY GLASS?' Is the cabinet-mounted TV safety glass going the way of the woolly mammoth and the dodo? TV industry design engineers and tube & glass makers are sharply divided on this question—for reasons which probably have more to do with dollars and cents than the esthetics of set design.

The sampling of tube manufacturers last week with a new Kimble Glass Co. 23-in. square-corner bulb designed to use an external safety shield (Vol. 15:41 p16) has kicked off what may be a 3-way tussle among glassmaking giants, with set & tube manufacturers choosing up sides.

The currently available 23-in. glass bulbs & tubes feature the "twin-panel" faceplate, incorporating bonded-on implosion plate requiring no external safety glass. While both Corning and Kimble have been making this type of bulb, Corning has been pushing it harder. Corning apparently plans no production of square-cornered bulbs without the twin panel, in either the 23-in. or the 19-in. size, while Kimble will proceed with plans to produce a non-bonded 19-in. bulb as soon as the glass mold-makers' strike is over. Corning is understood planning a twin-panel version of the 19-in., and has already sampled manufacturers with a 90-degree version of the 23-in. (110-degree) twin-panel bulb.

Big stakes in the dispute are held by Pittsburgh Plate Glass Co., which supplies 90% of the external safety glass for TV sets. Pittsburgh last year introduced its own version of the bonded-faceplate 23, with plate glass (instead of molded glass) for the implosion shield. Although only one small set maker is currently using the Pittsburgh-type tube, don't count it out of the race. Too much is at stake.

Here's how set makers line up on the implosion-plate issue so far. Using or about to use twin-panel tube: Admiral, Andrea, Hoffman, Mathes, Packard-Bell, RCA, Sears Silvertone (Warwick & Pacific Mercury), Sylvania, Dominion Electrohome (Canada). Those planning to use conventional-glass 23-in. tube include GE, Westinghouse & Zenith. Currently using Pittsburgh implosion-plate tube is only Fleetwood (made by Conrac Inc.).

The strong feelings of the pro-twin-panel manufacturers showed up at a recent Chicago meeting of the TV industry advisory committee to Underwriters Labs, attended by representatives of RCA, Admiral, Philco, RCA tubes, Sylvania tubes, independent tube maker National Video and others. The consensus of set manufacturers present reportedly was that the twin-panel type tube would eventually be standard equipment in all new TV sets. RCA, Sylvania & National Video attended the meeting as leading manufacturers of 23-in. twin-panel tubes.

Underwriters Labs has given its valuable safety seal to the new 23-in. twin-panel tube—but an interesting problem came up at the meeting: The new Kimble-type non-bonded-shield 23-in. tube might be used as a direct replacement for a burned-out 23-in. twin-panel tube, resulting in a TV set with no implosion plate at all. UL requested tube makers to agree on new base for non-bonded 23-in. tube to bar its use as replacement for twin-panel type.

Indications of comparative price of the new Kimble-type 23-in. tube came last week. The bulb will sell to tube makers for \$10.15 (excluding freight), or 74¢ more than the conventional 21-in. 110-degree tube. Translated into prices charged set manufacturers for completed tubes, here's the lineup: The 21-in. tube costs \$21.25; the 23-in. twin-panel \$26.75; the 23-in. non-bonded tube should cost between \$22.50 and \$23.

With the 21-in. & 23-in. non-bonded tube, external safety glass must be used, of course—adding to cost.

DELAY IN FM STEREO: Although the EIA-sponsored National Stereophonic Radio Committee (NSRC) is making enough progress to surprise some grizzled veterans of intra-industry engineering groups, it's becoming increasingly obvious to the group's administrators that it won't complete its work in time to meet FCC's Dec. 11 deadline for submission of proposals for stereophonic FM radio systems.

Best guess is that NSRC will ask the Commission to extend its deadline another 3 months to March 11. And because NSRC has shown that it is attacking the problem diligently, the odds are that the FCC will grant the extension. Some manufacturer members of NSRC had been optimistic enough to believe that FM standards would be set in time to incorporate them in fall 1960 radio lines—but this was very naive wishful thinking. FCC isn't going to rubber-stamp anything, and there's a good chance the whole issue will run into time-consuming Commission hearings. A far better guess might be that manufacturers' tooling-up operations for FM stereo will be for the fall 1962 models. There's a good possibility that AM stereo standards might be established before FM—because as of today there's less of controversy about methods to produce AM stereo.

NSRC's system specifications panel (Panel 1) met again last week and further narrowed down the original 11 FM system proposals to 5 basic systems: The EMI system, wideband FM with FM subcarrier (Crosby), narrow-band FM-FM (Halstead, Calbest), FM with AM subcarrier (GE type), FM with AM subcarrier (Zenith type).

Panel 1 is headed temporarily by acting chairman William Wintringham, Bell Labs, following the resignation of Charles J. Hirsch last week (Vol. 15:41 p19).

Other NSRC panels are now swinging into action, although their major work must await the outcome of Panel 1's narrowing-down process, which may be complete next month. Panel 6 (subjective aspects) is preparing a master test tape for all systems tested by Panel 5 (field testing).

Aug. Tube Sales Up: Factory sales of both receiving & TV picture tubes gained sharply in Aug. over the Aug. 1958 levels and ran well ahead of the 1958 volume in cumulative Jan.-Aug. reckonings as well, EIA reported last week. TV picture tubes were upbeat all the way by also topping July sales; receiving tubes skidded somewhat in Aug. from the July level (Vol. 15:38 p.21).

Aug. 1959 sales of receiving tubes totaled 35,435,000 units valued at \$29,974,000, compared with July sales of 36,394,000 tubes (\$29,796,000) and Aug. 1958 sales of 30,456,000 (\$25,442,000). Cumulative sales for Jan.-Aug. amounted to 273,808,000 tubes valued at \$234,534,000 vs. the year-ago totals of 251,657,000 tubes (\$218,639,000).

TV picture tube sales at the factory level in Aug. amounted to 823,098 units worth \$15,493,908, compared with July sales of 750,352 (\$14,648,444) and Aug. 1958 sales of 713,458 (\$14,190,878). For Jan.-Aug., TV picture tube sales totaled 5,943,985 (\$114,398,631) compared with the year-ago total of 4,952,862 (\$98,528,045).

Orr Industries merger into Ampex Corp. has been completed (Vol. 15:35 p18) and the Opelika, Ala. tape producer is now operating as a div. of the Redwood City, Cal. firm, Ampex pres. George I. Long reported. Effective date of the merger was Oct. 7, and holders of Orr common stock & stock purchase warrants are now entitled to exchange them for Ampex common—2.2 Orr for each Ampex share.

Trade Personals: O. H. Yoxsimer named Westinghouse TV-radio div. gen. mgr., succeeding E. J. Kelly, who moves from the Metuchen, N. J. post to staff of consumer products v.p. Chris J. Witting at the Pittsburgh HQ. Richard J. Sargent, Westinghouse v.p. & gen. mgr. of mktg. & distribution for consumer products group, heads new portable appliance div. Richard S. Sheetz replaces Yoxsimer as gen. mgr. of the East Springfield, Mass. appliance plant.

Frederick R. Lack, ex-EIA v.p.-dir. and Western Electric v.p. until his retirement in 1958, elected EIA engineering dept. dir., succeeding Dr. W. R. G. Baker, who continues in advisory role as engineering dept. dir. emeritus . . . George W. McGinley named sales mgr., Stromberg-Carlson-San Diego . . . Larry R. Swiney named district sales mgr., Packard-Bell Electronics Intermountain & Southwest territories, headquartering in Denver.

Dr. R. K. Hellmann named operating v.p. & technical dir. of Hazeltine Research Corp's new research & development center, opening next month in Plainview, N.Y. He replaces Charles J. Hirsch (Vol. 15:41 p19). Hellmann is also Hazeltine electronics div. asst. v.p. . . . Joseph F. Degen named operations v.p., Daystrom, succeeding Walter Ware Slocum, now International Resistance Co. pres. (Vol. 15:37 p14); Edward L. Klein promoted from mfg. mgr. to replace Degen as mfg. v.p. . . . Dr. Frank J. Willig appointed systems v.p., Emerson Research Labs . . . Mogens E. Christiansen appointed Mallory Battery Co. (P.R. Mallory) pres.-gen. mgr., succeeding George M. Arisman Jr.

Monte Cohen, General Instrument pres., was honored Oct. 15 at the annual N.Y. dinner of TV-radio-electronics purchasing agents in behalf of the United Jewish Appeal. Irwin M. Koenigsberg, Emerson Radio & Phonograph, presided as gen. chmn. of the UJA div. sponsoring the dinner . . . J. J. Harris, onetime Philco Distributors (N.Y.) gen. mgr., appointed Columbia Phonograph district mgr., covering metropolitan N.Y. & northern N.J.

Howard E. Reider appointed adv. mgr., Thomas Organ Co. . . . Richard E. Colfels appointed electrical & mechanical lines mktg. mgr. of GM's United Motors Service . . . William H. Attschuler named manufacturing v.p., Pentron; Thomas Brown, ex-Hallicrafters, appointed engineering v.p. . . . Dr. Robert E. Beam, Northwestern U. professor of electrical engineering, named Hallicrafters research & development v.p. He will continue at Northwestern.

GE is not producing transistor radios abroad for shipment to U.S., chmn. Ralph J. Cordiner declared last week. Noting that Japanese workers get only about 20% of what GE workers are paid on comparable jobs at the firm's transistor radio plant in Utica, N.Y., Cordiner said: "We do not intend to close a domestic operation and go to Japan. We won't move jobs & payrolls to that country." (GE owns 7.2% of Japanese electronics giant Toshiba, which currently is producing transistor radios for IGE for sale outside the U.S.) He said that approximately 60% of all transistor radios sold in the U.S. this year were made in Japan. Commenting on current GE business, Cordiner said that GE had planned ahead for a steel shortage (Vol. 15:40 p14), but warned "we will be increasingly hurt in October."

Capehart Corp. will be the new name of Dynamic Electronics-N.Y. Inc., subject to stockholder approval at a special meeting Oct. 20. Dynamic acquired Capehart brand last Aug. (Vol. 15:33 p16) and plans to put out first Capehart stereos next month, with a full line of stereo and TV-stereo combinations due in Jan.

TV Dealers Optimistic: To get a preview of TV's 4th quarter sales potential, *NARDA News* sounded out 50 representative dealers from coast to coast on the outlook at the point-of-sale. The overwhelming forecast is optimistic, with 82% of the dealers anticipating an increase over 1958 TV sales. More than half—52%—went further and predicted that their last-quarter 1959 business would be "up substantially." Pessimistic note was struck by 18% of the dealers—some seeing business at the 1958 level, others slightly below, and one predicting a plunge.

Dealer optimism is being generated principally by 1960 set features which are calculated to lure consumers. Virtually all dealers noted among most salable features the new slim styling & furniture design; others are banking on 23-inch picture tubes, remote tuners and improved picture quality to bring their business a shot in the arm. The survey unearthed little color enthusiasm.

Andrea Radio has established 3 distributors and hopes to add 9 others by year's end in a major expansion to national 2-step marketing of its TV-stereo lines. Heretofore, the N.Y. firm sold direct to dealers, confirming its distribution to N.Y., N.J. and Mass. Pres. Frank A. D. Andrea said the firm's 1959 TV-stereo sales will run 100% ahead of last year's volume. He forecast that 1960 sales will double those of 1959. Andrea's line comprises 6 TV & 6 stereo sets, including several 23-in. consoles. Portables eventually will be added.

Curtis Mathes Mfg. Co. is the new name of Olive & Myers Mfg. Co., Dallas-headquartered furniture firm which entered the TV field 2 years ago under the Curtis Mathes brand name. The firm employs 625 persons in 4 Texas plants, has attracted notice at music trade shows with the display of its home entertainment center—a single unit containing TV, stereo phono, AM-FM radio, bookcase and provision for tape recorder, home movie projector and stereo multiplex radio adaptor. Curtis Mathes is pres. of the 60-year-old firm; Charles R. Mathes & Curtis Mathes Jr. are v.p.'s, and Horace B. Kelton is secy.-treas.

RCA topped 1,200 major firms to win the annual award of the National Assn. of Suggestion Systems last week by scoring a 154% 1958-over-1957 increase in total suggestions received per 1,000 employees. During 1958, RCA employees submitted 15,046 ideas—of which 2,948 were adopted, resulting in record savings to the company of more than \$1 million. RCA awarded contributors of the adopted suggestions a total of \$112,251, a new high.

Canadian TV sales to dealers for the first 8 months of 1959 were lower than the same 1958 period—222,552 vs. 225,307. Consoles sales were up to 116,172 from 109,023, while table models & portables dropped to 58,383 from 72,361. Aug. 1959 total sales were 31,105, down from 33,423 in Aug. 1958.

"World's largest transistor plant" is claimed by Japan with the completion of a \$2,780,000 addition to Toshiba's Kawasaki facility. Toshiba says the enlarged production center will enable it to increase the monthly output of germanium transistors to 3.6 million units. Silicon transistors, diodes, and rectifier elements also will be produced.

General Instrument Corp. opened a West Coast sales office last week at 11982 Wilshire Blvd., Los Angeles.

Closed-circuit video monitor, designed to "meet all broadcast industry requirements and sell at a price comparable to commercial TV receivers," was announced last week by Packard-Bell.

Finance

GE Sets Profit Record: GE profits & sales rose 23% & 7% respectively in the 3rd quarter ended Sept. 30, pushing cumulative Jan.-Sept. earnings to a new 9-month high, chmn. Ralph J. Cordiner reported last week. The cumulative earnings jumped 17% over the Jan.-Sept. 1958 net and topped by 4% the previous high of nearly \$183 million earned in the 1957 period. Sales for the first 9 months of 1959 rose 5% over those of the year-ago period and came within 1% of the record \$3.169 billion of Jan.-Sept. 1957.

Reporting on performance of GE's 4 principal product classifications, Cordiner said that consumer products & industrial components continued the improvement begun late last year. Sales of defense products remained firm. Shipments of heavy electrical equipment are below the level of last year, but a substantial increase in orders was noted during the 3rd quarter. For the 3rd quarter ended Sept. 30:

	1959	1958
Sales & services	\$1,076,850,000	\$1,003,621,000
Net income	72,273,000	58,589,000
Earned per share	82¢	67¢
Average capital shares	87,836,678	87,594,473
For nine months ended Sept. 30:		
Sales & services	\$3,142,297,000	\$2,982,615,000
Net income	189,512,000	161,970,000
Earned per share	2.16	1.85

General Instrument Corp. netted a 73% increase in profits on sales which climbed 35% to a record high during the first fiscal 6 months ended Aug. 31, chmn. Martin H. Benedek announced last week. The Newark-based electronics firm also tallied a sizable profit increase on record sales during the 2nd fiscal quarter ended Aug. 31. Benedek reported a record backlog of unfilled orders totaling \$31.7 million, up 25% over the \$25.5 million a year ago. He said that current projections for the full fiscal year ending Feb. 29 foreshadow "another record sales year with both pre-tax & net profit substantially higher" than the returns in the previous fiscal year, when GI earned \$1,317,828 (93¢ a share) on sales of \$46.5 million. Benedek said first-half sales were up for GI's TV-radio, industrial and military electronics operations, and were paced by a 115% increase in semiconductor sales, compared with the year-ago half.

	1959	1958
Sales	\$12,652,400	\$10,397,040
Net income	402,500	266,561
Earned per share	26¢	20¢
Shares outstanding ..	1,524,923	1,373,273
For 6 months ended Aug. 31:		
Sales	\$25,381,254	\$19,076,067
Net income	613,610	354,477
Earned per share ...	40¢	26¢

Pacific Mercury Electronics set a new sales record in the fiscal year ended June 30 and is now operating with the largest order backlog in its history, pres. Joe Benaron reported last week. He said that sales of Silvertone TV sets to Sears, Roebuck & Co. throughout fiscal 1959 increased over the 1958 volume and forecast accelerated production of both TV & hi-fi sets in the year ahead. During fiscal 1959, Pacific Mercury initiated production of stereo hi-fi phono combos for Sears. For the year ended June 30:

	1959	1958
Sales	\$20,154,604	\$18,477,918
Net income	352,198	329,235
Earned per share	50¢	47¢

Harman-Kardon Inc., manufacturer of hi-fi components, will report net earnings of \$65,000 for the first fiscal quarter ended Sept. 30, compared with an operating loss of \$9,000 in the same 1958 period, says pres. Sidney Harman.

Collins Radio Co. scored record earnings in the fiscal year ended July 31, pres. Arthur A. Collins announced last week. Last year the firm had an operating loss of \$256,749, offset by a tax & profit-reserve credit of \$1,081,975. He also reported that application will be made for listing Collins' common stock on the N.Y. Stock Exchange. If application is approved, the listing is expected to become effective early in Dec. The firm's backlog of contracts & orders at fiscal year's end was a record \$210 million, up from \$133 million a year ago. For the year ended July 31:

	1959	1958
Sales	\$117,864,000	\$107,569,000
Net income	3,718,817	1,081,975
Earned per share	1.95	54¢

Public stock offering by another broadcasting group—Bartell Bestg. Corp., formerly Bartell Family Radio Group—went on the market Oct. 16 and was completely subscribed that morning. The 54,545 shares, comprising less than 50% of the outstanding stock, was snapped up at \$5.50 a share by 350 buyers. The stock, originally owned by the corporation, was offered by a group headed by W. W. Schroeder & Co. Funds realized from the issue will be used "to finance expanded operations of the company both in and out of the U.S." Bartell owns 6 U.S. radio stations, has ownership in TV stations now under construction in Aruba, Curacao & Haiti (Vol. 15:41 p9).

Allied Artists Pictures wound up its 1959 fiscal year June 27 with a net loss of \$262,499 on gross income of \$15,365,000. The loss includes a provision of \$60,000 for possible federal income taxes on prior years operation. The firm suffered a \$1,189,688 net loss on \$15,977,000 gross income in fiscal 1958. Pres. Samuel Brody reported that "current operations are profitable" and forecast that "the fiscal year 1960 will show an improvement over the past fiscal year." As of June 27, 1959, Allied Artists had available for tax purposes a carry-forward of losses relating to fiscal 1957, 1958 and 1959 totaling some \$1,875,000, to be applied against future profits.

Wometco Enterprises Inc. (WTVJ Miami, WLOS-TV & WLOS Asheville, N.C., & 20% of WFGA-TV Jacksonville) reports earnings after taxes for 36 weeks ending Sept. 12 up 15.2% over the same period in 1958. Gross income was \$7,056,088, net income before taxes was \$1,068,399, \$510,306 after taxes, compared with \$831,011 before taxes and \$442,811 after taxes during the same period last year. Of net income, 24.9% was paid in dividends to Class A stockholders, 13.8% to Class B, the remaining 61.3% retained in the business. There are 363,730 Class A shares outstanding, 540,000 Class B. Class B shares receive 13/35 of the dividends declared on Class A.

Siegler Corp.'s proposal to double its authorized common shares to 5 million (Vol. 15:40 p18) was approved by stockholders last week. Exec. v.p. Robert Purcell said there are no present plans for issuance of the additional stock. Siegler had 1,628,329 shares outstanding on Aug. 31.

P. R. Mallory & Co. reports a sharp increase in sales & earnings for 9 months ended Sept. 30 compared with the same 1958 period:

	1959	1958
Net sales	\$63,795,410	\$49,163,476
Net earnings	3,000,590	1,632,045
Earned per share	2.01	1.04
Shares outstanding (1959)	1,412,788	1,412,788

Federal Mfg. & Engineering Co., headed by David H. Cogen, one time pres. of CBS-Columbia Inc., reportedly has completed plans for acquisition of 2 privately-controlled N.Y. companies in the camera field—Television Specialty Co. and Cameraflex Co.

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SUMMARY-INDEX OF WEEK'S NEWS

FCC

QUIZZES & FCC—MORE PONDERING, with some members asserting criticism of the Commission is unwarranted. Conflict on "censorship" vs. licensee "responsibility" (p. 1).

FCC TACKLES CATV & BOOSTERS AGAIN, Broadcast Bureau Chief Cowgill telling NCTA that full-scale CATV hearing may be needed. Booster rules discussed, no action (p. 4).

Stations

NEW BROADCASTING-PUBLISHING entity, Whitney Communications Corp., with assets of more than \$50 million, takes over 5 TVs, 6 radios, Herald Tribune, 2 magazines (p. 3 & 6).

METROPOLITAN BCSTG. buys Philadelphia's radio WIP for near-record \$4.5 million, Peoria uhf WTVH for \$600,000. Other purchases being negotiated (p. 6).

TWO STATIONS AUTHORIZED TO START are WABG-TV (Ch. 6) Greenwood, Miss., which began Oct. 20, and KVUE (Ch. 40) Sacramento, Cal., due Nov. 1. Reports on upcoming stations (p. 7).

Foreign

USIA'S FOREIGN TV TALLY shows stations increasing 50% to 985, sets-in-use going up 30% to 28 million in past year (pp. 3 & 9).

Programming

STANTON'S HOUSECLEANING at CBS-TV in wake of quiz hearings results in "Person to Person" producers seeking termination of their contract (p. 8).

THOSE RATING DROPS for Westerns noted recently by us are shared or surpassed by fall-offs in Nielsen levels for other types of shows (p. 9).

Manufacturing & Distribution

1959 TV SALES will total about 5.8 million units at retail, notwithstanding higher predictions of few months ago. Steel strike begins eating into sales (p. 16).

2-PIECE STEREO: Minority report—from Sears, Roebuck—differs with rest of industry, asserts that multi-unit stereo is selling well. No single units sold (p. 16).

Film & Tape

FEAR IN HOLLYWOOD develops as many shows incubate rating and other troubles; "Desilu Playhouse" is first casualty (p. 13).

OVERWORKED STARS STAGE the Battle of Burbank against Warner Bros. (p. 14).

WRITER-PRODUCERS HAVE made a generally poor track record this season (p. 14).

Finance

RCA SALES SET RECORD for 9-month & 3-month periods, totaling \$978.2 million in first 3 quarters; 9-month net profit up 38% (p. 9).

ETV

CBS CUTS BANDWIDTH in half for airborne ETV experiment (p. 20). Stratovision project opens talent hunt for top TV teachers (p. 20).

Auxiliary Services

SCRAMBLED TV FOR DOCTORS' instruction planned by Council on Medical TV, which will ask FCC for authorizations (p. 20).

Other Departments

CONGRESS (p. 4). **NETWORKS** (p. 10). **PERSONALS** (p. 11). **ADVERTISING** (p. 12).

QUIZZES & FCC—MORE PONDERING: Some FCC members are miffed about the criticisms they're getting for not having prevented quiz-rigging somehow, claiming they moved reasonably quickly & effectively on the basis of the facts they had. It's understood, too, that some are also irked by Chmn. Doerfer's position in the controversy, because of his hands-off attitude & his stress on "anti-censorship" provisions of the Communications Act—soft-pedaling FCC's powers to hold licensees accountable for abuses of their facilities.

FCC did inquire into quiz irregularities, it told Rep. Harris (D-Ark.) in its Sept. 16 letter responding to his request for comment on quiz situation. And, it said, CBS & NBC "set forth the precautions which they are taking to prevent a recurrence of questionable programming." Apparently, without the evidence N.Y. Grand Jury later gathered (and which FCC still doesn't have), Commission was satisfied that CBS & NBC had done an adequate job. Obviously, however, most members of Harris' investigating subcommittee believe FCC didn't do enough to get at networks through their o&o licensees.

It can be assumed that at least 2 Commissioners, Ford & Bartley, would take exception to Doerfer's position on "censorship" vs. "accountability"—because they've previously taken strong stands on the issue. You can assume that Craven would side vigorously with Doerfer; he has stated his views many times. Hyde, Lee & Cross have steered clear of policy statements.

FCC's consensus may be found, however, in its letter to Harris: "In considering the over-all operations of a licensee, the Commission can & does consider whether the licensee's broadcast facilities have been

used for improper purposes such as fraud, deceit or misrepresentation, through the failure of the licensee to exercise the measure of control reasonably to be expected in discharging his responsibility to operate in the public interest."

Ford's views were expressed in his Aug. 28 speech to W. Va. Bcstrs. Assn. (Vol. 15:35 p5). After citing many court decisions, he stated: "In short, it appears that we are not prevented, either by the provisions of Sec. 326 against censorship or by the First Amendment guarantees relating to freedom of speech, from reviewing at renewal time . . . the station's over-all programming, and denying renewal unless it appears (either initially or after hearing) that the station's past programming & its proposals for the future indicate that its further operation would serve the public interest. In fact, a positive duty to undertake such consideration is apparent."

Comr. Bartley offered a similar evaluation in his Aug. 2, 1956 speech before the Southern Cal. Bcstrs. Assn.: "The Commission's function, in passing either on the program proposals of an applicant for a new station or in reviewing the stewardship of a station upon its renewal period, is no more censorship than our libel laws which are designed, not to restrain, but to hold to account."

Neither Ford nor Bartley would comment on situation last week. Comrs. Hyde & Craven are in Geneva, attending international conferences. The thing is a matter of degree—the swing of the pendulum of FCC policy. In 1946, FCC issued its "blue book" on "Public Service Responsibility of Broadcast Licensees," which put broadcasters' feet to the fire on programming. In the last few years, FCC majority has been loath to question programming—except when definite infraction of rules is involved. Within a few months, we should know whether quiz contretemps have reversed pendulum swing.



Many remedies to prevent quiz-rigging & other programming problems are being suggested. FCC members themselves are beginning to come up with some. Doerfer is firm in his belief that govt. interference would be stifling, if not illegal. In an interview in Oct. 26 U.S. News & World Report, he suggests industry might consider appointing a "czar," as did baseball and movies when afflicted with scandals.

Comr. Lee suggested, in letter to Harris, that Congress might pass a "labeling" law. "I believe," he said, "that we can promote honest and fair dealing in this very sensitive area through the device of publicity. This publicity could take the form of an announcement by the licensee advising the listener or viewer as to the type of program that he is seeing or listening to and the bona fides of that which is being presented . . . It seems to me that there is ample precedent for this type of regulation in several statutes." He referred to Wool Products Labeling Act of 1939 and Food & Drug Act.

Some newspaper reports have misinterpreted Lee's suggestions as a "conflict" with Doerfer. His letter was misconstrued to mean that FCC now has adequate authority to prevent quiz-rigging. Lee makes it clear that he believes new laws are needed. Questioned later, Doerfer said Lee's idea is "impractical."

Lee also made the important suggestion that it may be advisable for Congress to give FCC direct regulation over networks because "we may very well have to recognize that our regulation of the networks through their owned & operated stations would be wholly ineffectual in the light of the problem . . ."

Comr. Cross thinks FCC & Congress should explore legislation which would punish program producers who deceive broadcasters. He is dead set against anything smacking of censorship. "We can't touch them before the fact," he told us, "but we've got all the authority in the world after the fact"—referring to FCC's powers of review over general licensee performance.

Federal Trade Commission chmn. Earl Kintner, though quite angry with the industry, as shown in his recent speech to broadcasters (Vol. 15:42 p6), hates to see the heavy hand of Govt. laid on the industry. Speaking in Chicago last week, he urged self-policing, said: "Baseball needed the Black Sox scandal of 1919 to shock it into assuring an honest game for the public. I believe comparable shock treatment has been administered to the radio & TV industry—although seeing is believing. I believe it's a question of self-discipline, and basic to their survival. For my part, I'd rather not see any more govt. regulation."

President Eisenhower termed quiz-rigging "a terrible thing to do to the public," said he had requested Attorney General Rogers to look into it. When asked if more govt. regulation is needed, he said: "I see no power in the Executive department. This would be censorship. This would be a political agent. Now you do have the FCC. I am not sure what their field would be there, but it's one thing that I think the Attorney General is studying for me. But not for Executive department action."

HUGE NEW BROADCASTING-PUBLISHING ENTITY: Formation of John Hay Whitney's TV-radio-newspaper-magazine combine marks establishment of new giant devoted exclusively to mass communications. With assets of more than \$50 million, Whitney Communications Corp. heralds increasing concentration on TV by the investment banker who currently is U.S. Ambassador to Britain.

Thrown into the Whitney Communications pot will be all broadcasting & publishing interests now held by investment banking house of J. H. Whitney & Co. and its subsidiaries. This includes Corinthian Bcstg. Corp., which controls 5 TV & 2 radio stations and will become subsidiary of Whitney Communications, and Plymouth Rock Publications, which controls N.Y. Herald Tribune, Parade (Sunday supplement) magazine, Interior Decorating magazine and 4 N.Y. state radio stations.

Separation of Whitney communications interests from investment banking firm means "a substantial increase in Mr. Whitney's personal & financial participation in the communications field," according to the announcement in Herald Tribune. Upon completion of his ambassadorial term in London, Whitney will become board chairman of the new firm & publisher of the Herald Tribune.

Along with Whitney's new expression of confidence in TV medium, his personal holdings in Corinthian TV-radio properties will increase to 86% of their stock. Top-level personnel transferred from investment banking house to Whitney Communications now will be able to give full-time attention to the media properties. Additional advantage of the communications merger: Complete integration & cooperation between newspapers, magazines & broadcasting operations is now possible.

Continuing to head Corinthian Bcstg. will be pres. C. Wrede Petersmeyer, who, in Whitney's words, "has done so much to bring Corinthian to its present position of strength & vigor."

Whitney Communications thus becomes one of very biggest privately-held print-&-broadcast operations. As such, it joins such successful combined-media entities (publicly & privately held) as Time Inc., Triangle Publications, Inc., Meredith Publishing Co., Hearst Corp., Gannett Co., Newhouse Stations and Cowles Bcstg. Co. For details, executives, etc., of Whitney Communications, see p. 6.

Note: In another transaction involving multiple station ownership, Metropolitan Bcstg. Corp. last week purchased Philadelphia radio WIP for \$4.5 million in stock and assumption of liabilities, and Peoria uhf WTVH for \$600,000 cash, and indicated it's looking for TV-radio properties "everywhere" (details on p. 6).

USIA'S FOREIGN TV TALLY: Number of foreign TV stations increased by more than 50% from Sept. 30, 1958 to Sept. 30 this year—and sets-in-use went up nearly 30%, USIA reported last week.

Total of 985 stations (including satellites) & 28 million sets in operation was counted by USIA in its world-wide tabulation, excluding U.S. & territories, U.S. armed forces installations and Canada. The figures approximate those in our own Foreign TV Directory, in 1959 Fall-Winter Television Factbook (Vol. 15:41 p9).

In last 6 months alone, 130 new foreign stations went into operation and more than 2.4 million sets were added. Since USIA's last world TV tabulation as of March 31 (Vol. 15:21 p10), Soviet bloc accounted for 23 of new stations and 200,000 additional sets—based on data from satellite countries. And for first time, Communist China (with 3 stations) announced it has 5,000 sets in use in Peiping area. Free-world countries now have 819 stations, Communist bloc 166. (For USIA's listing of foreign stations & sets-in-use, see p. 9).

Other highlights of USIA's report to its overseas posts: Across-iron curtain TV propoganda is worrying officials in West Germany, where 1 of 4 viewers gets East German programs, which are regarded as superior to West German TV. United Arab Republic is getting ready to start construction of TV complex including 2 central stations & 302 relay stations.

Newspapers are best for food advertising, according to the Oct. *Agricultural Marketing*, published by the Agriculture Dept.'s agricultural marketing service—and editor Milton Hoffman wishes he could edit the issue all over again. "Nothing like this has happened in the 40 years of the magazine's existence," he told us as angry protests by broadcasters—led by TvB & RAB, which had been alerted by W. D. (Dub) Rogers of KDUB-TV & KDUB Lubbock, Tex.—poured into his office. Citing 1957 motivation research by Philadelphia's National Analysts Inc. in Raleigh, N.C., and subsequent studies in Lake Charles, La. and Wheeling, W.Va.-Steubenville, O. areas, *Agricultural Marketing* concluded: "Newspapers, the survey shows, are the

best medium for food advertising & for marketing information on food." Home-makers in the areas were asked: "Where did you get information from on food shopping within the past 2 or 3 months?" More than 80% said newspapers; 27.3% TV, 26.8% radio. On this basis, the *Agricultural Marketing* article not only gave newspapers the nod over TV & radio as the choice ad medium, but said "programs which feature food facts are rapidly losing out in radio's swing to music & news and TV's rush toward network shows." Such broad conclusions, editor Hoffman told us, were "indefensible." He added: "Actually, in our over-all marketing information job we can't do without TV, or radio—or the newspapers."

Congress

Answers From Van Doren: NBC-TV's *Twenty-One* hero Charles Van Doren, a reticent and apparently reluctant subpoenaed witness in the House probe of TV quiz scandals (Vol. 15:42 p4), made an unannounced call on N.Y. District Attorney Frank Hogan last week—and reportedly began talking again.

Van Doren & his lawyer Carl J. Rubino spent 75 min. with Hogan, who told reporters the 1956-57 quiz whiz had admitted he gave an incorrect answer to the District Attorney's office when he was questioned last year on whether he had been tipped to *Twenty-One* questions & answers.

"I think he gave truthful answers today," said Hogan, but he declined to say whether Van Doren had admitted receiving any questions or answers before his performances on the show, which netted him \$129,000.

The reporters then rushed for clarification to Van Doren, who expressed surprise and said: "I have not said I gave false answers. I will tell the whole story when I appear before the Congressional committee Nov. 2."

A reporter asked Hogan if "lying" was a good word to use in describing what Van Doren had said at the District Attorney's office before he went on to swear to a N.Y. Grand Jury that he had received no help on the show. "Well, you were the one who said it," Hogan said. He also indicated he was uncertain whether Van Doren would be summoned for another Grand Jury appearance following his Washington engagement.

It's been a "harrowing ordeal" for Van Doren since the House investigation started, but he'll give "completely truthful answers" to House investigators, Hogan added.

* * *

"Tremendous" mail on TV quizzes is pouring into offices of the House Commerce legislative oversight subcommittee, one staffer there telling us that no other issue has aroused such public response since the investigating unit set up shop in 1957. It isn't all fan mail, although subcommittee employes assigned to sort it are under orders from Chmn. Harris (D-Ark.) not to disclose how many letters are critical of the oversighters' probe of rigged shows. It's known, however, that some of the mail challenges the subcommittee's right to invade show business. Others say Harris is persecuting Van Doren.

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Conelrad system works efficiently, but there's a "crying need" for better liaison between local civil defense leaders & broadcasters, according to Howard H. Bell, joint TV-radio affairs asst. to NAB pres. Harold E. Fellows. Citing an FCC report on the April 17 Operation Alert drill (Vol. 15:16 p10) which indicated "intelligible" Conelrad service reached 90% of the U.S. population, Bell told a 2-day Washington conference of Middle Atlantic state civil defense officials that full liaison nevertheless has been lacking. "Complete lack of communication between civil defense and the radio & TV broadcasters" has been a common complaint by station operators in 9 states, Bell said.

SEC will go on air next month in a "wise owl" TV-radio campaign to persuade viewers & listeners to watch their step in buying stocks. In cooperation with the Advertising Council and broadcasters, the agency has furnished TV stations with 2 animated cartoon films (20 & 60 sec.) and radio outlets with spot scripts on the theme: "Investigate before you invest." SEC hopes its "wise owl" symbol of caution against stock frauds will become as familiar to the public as the forest service's fire-preventing "Smokey."

The FCC

FCC TACKLES CATV & BOOSTERS AGAIN: Fresh look at CATV and its impact on telecasters is in the works at FCC, and it may take the form of a new, full-fledged evidentiary hearing. The Commission, stimulated by Senate Commerce Committee hearings and near-passage of a CATV-regulation bill (Vol. 15:36 p4), has concluded that its last consideration of the subject, on a written record ("paper hearing"), wasn't enough.

FCC broadcast bureau chief Harold G. Cowgill, speaking before the Western regional conference of the National Community TV Assn. in Spokane last week, summarized the Commission's current position:

"Within the past several weeks the Commission has been restudying & re-evaluating the problems dealt with in Docket 12443 [the last official proceeding]. Concurrently there has been a pause in the granting of microwave applications. This indicates most certainly that the matter is not closed. At bottom, the problem facing the Commission is simply whether the services you are rendering & can render to the public can be performed in a way which will leave an opportunity for the successful rendition of important public services by TV broadcast stations located in the communities that you serve.

"There is already some indication that the only way to find the answer to this question will require reopening the hearing in a formal evidentiary proceeding wherein interested parties can be examined & cross-examined and all the facts can be brought up to date. This would entail time & continued uncertainty."

Meanwhile, the Senate Commerce subcommittee on communications, under Sen. Pastore (D-R.I.), scheduled a quick series of CATV-booster hearings in the West, to get the local flavor and to inspect facilities on the spot. The itinerary: Helena, Mont. Oct. 27; Idaho Falls, Ida. Oct. 28; Salt Lake City Oct. 29; Denver Oct. 30. It's expected that the telecasters, CATV operators and local citizens will testify. Cowgill will join the tour as an observer.

Announcement of the hearings caught NCTA by surprise, according to exec. dir. Edward Whitney, who attended the Spokane conference. "We're delighted," he said, "that the subcommittee has decided to conduct on-the-spot hearings and to get the views of the public."

Much of the NCTA conference was devoted to Washington problems, and pres. A. J. Malin and gen. counsel E. Stratford Smith expressed continued opposition to the CATV-control bill (S-2303) reported by the Senate Commerce Committee late last session. They also reaffirmed their belief that any legalization of vhf boosters should provide for adequate engineering standards to prevent their interference with other services.

FCC discussed booster rules this week, deferred action. It's understood that Comrs. Doerfer & Lee favored approval now, while Comrs. Bartley, Cross and Ford wanted more time to study. Comrs. Hyde & Craven are in Geneva, attending international conferences.

Because FCC once proposed specific rules for boosters, there's a question whether it will adopt final rules or issue another proposal for rule-making, inviting another round of industry comments. The Commission hasn't made up its mind. At the NCTA conference, some CATV operators estimated that there are as many as 2,500 boosters on the air. Previous estimates ran 500-1,000. Charles Clements, who runs a CATV system in Waterville, Wash., reported there are 80 boosters within 60 miles of his community.

Probably the biggest problem in the CATV-station dispute is the matter of duplication—the presentation of the same programs by the local station & the local CATV system. The NCTA conference discussed it at length, and members stated that there are many technical difficulties involved in eliminating such duplication. This factor is a major aspect of the pending CATV legislation—and much of FCC's attention is focused on it. Small-town telecasters assert that elimination of duplication would enhance their prospects of survival considerably.

The NCTA conference also included a discussion of CATV system sales, by broker Bill Daniels, who predicted that 90% of all systems would be sold within the next 10 years—"because of death & taxes."

Management consultant William Stubblefield urged NCTA members to "get closer" to the management of the stations whose signals they distribute, to emphasize the extended coverage they provide & the quality of the signal.

The association decided to eliminate the annual Western regional conference and to alternate its annual conventions between the East & West Coasts.

Joint Council on Educational TV was rebuffed by FCC last week in its year-old efforts to persuade the Commission to start a special investigation aimed at getting more vhf channels for ETV in all major markets (Vol. 14:44 p3). The JCET's petition for the proceedings was denied by FCC on grounds that its current general allocations study hasn't progressed to a point "where the feasibility of the various alternative solutions can be determined." Also rejected by FCC was the JCET's plea for rule-making to reserve vhf for ETV in Waycross, Ga. and Norfolk-Portsmouth-Newport News, Va. Action on a JCET request for reallocation of Rochester, N.Y. Ch. 13 for non-commercial use was withheld by FCC. Earlier, FCC had denied a JCET petition that Ch. 30 in Panama City, Fla. be made educational (Vol. 15:31 p7).

Frequency reallocations in the 118-136-mc band for use in air traffic control and in space communications, effective July 1, 1960, are proposed by FCC, which seeks comments by Nov. 30. The changes were requested by the Federal Aviation Agency (FAA) & Office of Civil & Defense Mobilization (OCDM). Under FCC's proposals, 5-mc (3 from the present 132-144 mc govt. band) would be assigned to FAA-operated air controls. Earth-space communications would use the 135-136-mc band.

Grant of Idaho Falls Ch. 8 to the Eastern Idaho Bestg. & TV Co. was recommended last week in an initial decision by FCC hearing examiner H. Gifford Irion following dismissal of an application by Sam. H. Bennion, Eastern Idaho's only competitor. The proceeding started as a comparative hearing, but Bennion lost out by failure to meet a deadline for written appearance. Idaho Falls is served now by KID-TV (Ch. 3).

Up-to-date version of FCC's rules on AM-FM-TV and related services (experimentals, auxiliaries, etc.) is now available from the Govt. Printing Office at \$4.50. It's volume 3, covers parts 3 & 4 of FCC rules, comes in loose-leaf form—and the price includes future amendments for an indefinite period. FCC will no longer print the rules.

Sales approved by the FCC: (1) KXMC-TV (Ch. 13) Minot, N.D., for \$1,040,000 to executives of the station (Vol. 15:37 p7). (2) KICA-TV (Ch. 12) & KICA Clovis, N.M., in a stock exchange, to Texas-New Mexico Bestg. Co., controlled by the principals of KDUB-TV Lubbock, Tex. (Vol. 15:38 p16).

Canadian Allocations Changes: Substantial revisions of Canadian TV allocations standards are being considered, and Canadian representatives conferred with FCC experts in Washington this week. Details haven't been released, but it's understood that the Canadians propose to:

(1) Cut minimum co-channel separations from 220 miles to 190 miles for Ch. 2-6, to 187 for Ch. 7-13.

(2) Permit additional assignments at mileages less than the foregoing, if powers & heights are cut in proportion. For example, a 1-kw station might be placed at about 120 miles from a co-channel station.

(3) Protect existing stations to their Grade B contours—30 db desired-to-undesired signal ratio for low band, 44 db for the high band.

(4) Change adjacent-channel spacings according to a new formula. Discussions with the FCC are necessary to take care of border situations.

International frequency fight by U.S. astronomers for more bands for radio telescopes was carried to the State Dept. last week—and they were reported winning it. In a last-minute campaign organized under White House auspices by the National Academy of Sciences, the radio astronomers called on the State Dept. to instruct the U.S. delegation at International Telecommunication Union (ITU) sessions in Geneva to take their side. "A decision is being made," one National Academy source told us, "and I am confident that an understanding will be reached." Belatedly, the astronomers learned that the official U.S. position at Geneva so far has been that only one frequency—1,427 mc—should be set aside for radio telescopes, permitting more commercial & military use of other bands. They want at least 7 bands in the 40-to-1,537-mc range reserved for radio astronomy, arguing that otherwise their govt.-financed multi-million-dollar work of studying the universe will be strangled. Nearly 50 officials representing the State & Defense Depts., FCC, Interdepartmental Radio Advisory Committee (IRAC), National Science Foundation and other agencies attended an all-day National Academy session on the problem called Oct. 16 by Dr. George B. Kistiakowsky, President Eisenhower's asst. for science & technology. A 5-man subcommittee of astronomers carried the fight from there.

Wearing of legal arguments over what he considers minutiae, FCC chief examiner James Cunningham last week turned down various pleadings submitted by Southern Bestrs. Inc. in the Greensboro-High Point, N.C. Ch. 8 comparative hearing. In so doing, he noted that the FCC has previously "expressed strong disapproval of the practice of filing lengthy, argumentative pleadings which are without decisional significance, particularly those not sanctioned in the rules." FCC attorneys called attention to Cunningham's ruling, saying that it can be taken as a request or warning to attorneys.

Transfer of KCOP Los Angeles to NAFI Corp. (Vol. 15:33 p8) has been held up by FCC which is giving KCOP 20 days within which to explain its reporting of spots on FCC forms. The Commission said it appears that KCOP may have carried far more spots than it logged. FCC also questioned whether NAFI properly filled out the forms with regard to programming.

Temporary operation on Ch. 4, Birmingham, was denied by FCC to uhf grantee WBMG (Ch. 42), which had sought a waiver of the rules. The Commission also denied waivers of rules requested by educational WGTW (Ch. 8) Athens, Ga., to move to a site about 56 miles W-SW of Athens.

Stations

METROPOLITAN EXPANDS: Metropolitan Bestg. Corp. pres., chmn. & principal stockholder John W. Kluge made good last week on his oft-repeated statement that his company will buy more TV & radio stations. His double-barreled purchase: highly successful radio WIP Philadelphia and uhf WTVH Peoria, Ill. And more station buys are in the works, he indicated.

Sale of 38-year-old WIP for more than \$4.5 million (150,000 shares of Metropolitan stock plus assumption of about \$2 million in liabilities) is one of the biggest radio sale transactions in history. Record paid for a radio station was the purchase of WNEW N.Y. in 1957 by Metropolitan (then Du Mont Bestg. Co.) for \$4,815,407 plus 281,899 Du Mont Bestg. shares.

The selling group comprises 57 stockholders headed by WIP pres.-gen. mgr. Benedict Gimbel Jr. and including Philadelphia businessman John P. Crisconi, John G. Pew Jr. of the Sun Shipbuilding family, comedian Bob Hope and rep Edward Petry & Co. The deal is subject to final stockholder ratification & FCC approval. Gimbel will become Metropolitan v.p. in charge of radio operations under a 10-year contract. He and Crisconi will become Metropolitan board members and will be the 2nd & 3rd largest individual shareholders (Kluge is No. 1)—the top 3 stockholders holding about 250,000 shares. Metropolitan stock last week was selling in the range of 18-19.

Philadelphia's oldest station, WIP operates as a Mutual affiliate on 610 kc at 5 kw. One year ago, WIP was purchased from Gimbel Bros. dept. store for \$2.5 million by the present group headed by Benedict Gimbel. WIP is an applicant for Wilmington, Del. Ch. 12, the channel vacated by Storer's now-defunct WVUE Wilmington-Philadelphia. The WIP sales was handled by broker Howard Stark.

WTVH (Ch. 19), the ABC-TV affiliate in de-intermixed 3-uhf Peoria, was purchased for "more than \$600,000 in cash." On the air since Aug. 1953, it was sold in May 1954 to Peoria Journal Star Inc. It will be Metropolitan's first uhf outlet.

The newly purchased stations will be added to Metropolitan's WNEW-TV & WNEW N.Y., WTTG Washington and radio WHK Cleveland. Kluge, a Washington food broker, heads a group which purchased Paramount's 21% holdings in Metropolitan late last year (Vol. 14:49 p1), and increased its ownership with other stock purchases.

Kluge says that both WNEW-TV & WTTG have been converted from red-ink operations to money-makers since his regime took over. Metropolitan grossed \$14 million last year and \$8 million during the first half of this year. At a Philadelphia news conference to announce the station buys, Kluge predicted Metropolitan's 1959 gross will be \$17 million, rising to \$23 million in 1960.

Is Metropolitan negotiating for other stations? Yes, says Kluge—"everywhere." Is Pittsburgh the next market Metropolitan will enter? "Nothing definite."

Wometco Enterprises Inc. announced last week it has increased its holdings in WFGA-TV (Ch. 12) Jacksonville to 46½%, making it the largest stockholder. Wometco, which owned 20% of the outstanding stock, purchased the 26½% owned by George H. Hodges for an undisclosed amount. Wometco also owns WTVJ (Ch. 4) Miami and WLOS-TV (Ch. 13) Greenville-Asheville-Spartanburg, as well as the 22-theater Wometco chain and a cigaret-&-food-vending business.

More about

WHITNEY COMMUNICATIONS CORP.: J. H. (Jock) Whitney, U.S. Ambassador to the Court of St. James's, whose Whitney Communications Corp. was announced last week (see page 3), has had financial interest in growth of TV since 1952, when his J. H. Whitney & Co. began investing in community antenna systems (Vol. 8:34 p5). The investment banking firm liquidated its ownership in 6 systems when it purchased its first TV station in 1954—Tulsa's KOTV, which became nucleus for Corinthian Bestg. Corp.

Broadcast properties in Whitney Communications Corp. (subject to FCC approval of transfer) will be Corinthian's KOTV, KHOU-TV Houston, WISH-TV & WISH Indianapolis, WANE-TV & WANE Fort Wayne, KNXT Sacramento; the VIP Radio group consisting of WGHQ Saugerties, WFYI Mineola, WVOX New Rochelle, WVIP Mt. Kisco, all N.Y.

Four J. H. Whitney partners will resign from the investment firm to take top posts in Whitney Communications. Walter Thayer, J. H. Whitney managing partner, becomes pres. of the new company; Samuel C. Park becomes chairman of finance committee; Robert F. Bryan, Corinthian Bestg. secy.-treas., becomes financial v.p.; C. Wrede Petersmeyer continues as Corinthian pres. and as pres. of the individual station licensee corporations.

Board of directors, to be headed by Whitney when his ambassadorial term is completed, will include Thayer, Petersmeyer & Park; Bernard Kilgore, pres. & publisher of *The Wall Street Journal* (not affiliated with Whitney Communications); Robert M. White II, pres. & editor of the *Herald Tribune*; Arthur H. Motley, pres. & publisher of Parade Publications; VIP Radio pres. Martin Stone.

Said Whitney in statement announcing new firm: "It will be concerned primarily with long-term interests in the field of communications . . . I welcome the opportunity to participate even more actively in the future development of TV & radio broadcasting. It has grown with astonishing swiftness into one of the great communications forces of the world. I am particularly impressed with both the accomplishments and even greater promise of the TV medium as a popular cultural & informational force on the national & world scene. I find TV's ability to reach the minds & hearts of vast audiences an exciting opportunity & challenge."

Still fighting cancelation of contract to buy WJAR-TV & WJAR Providence and its parent Outlet Co. dept. store (Vol. 15:42 p11), William Zeckendorf's 91065 Corp. served legal notice last week that it will appeal in R.I. Supreme Court the Superior Court's denial of its request to intervene in a suit against Outlet's trustees filed by the stations' gen. mgr. J. S. (Dody) Sinclair. After the lower court rejected 91065's intervention plea, Outlet's trustees canceled the contract to sell the corporation to 91065.

Add FM-upsurge notes: FCC granted 11 FM CPs last week, including authorizations in such substantial cities as Milwaukee, Omaha, Tulsa, Dallas & Santa Barbara (see AM-FM Addenda QQ).

Call letter changes: Educational WTIQ (Ch. 7) Munford, Ala. to WC1Q; upcoming KCCC-TV (Ch. 40) Sacramento, Cal. to KVUE.

WTHS-TV (Ch. 2, educational) Miami plans boost to 100-kw Jan. 4 when it also moves into new studios.

NEW & UPCOMING STATIONS: Two starters include new vhf opening up in South and uhf being revived on West Coast. WABG-TV (Ch. 6) Greenwood, Miss. began Oct. 20 with CBS-TV, the same day FCC issued program test authorization. KVUE (Ch. 40) Sacramento, Cal., changing call from KCCC-TV this week, got authorization Oct. 23 for start as independent Nov. 1. These two additions will change the on-air total to 559 (85 uhf).

WABG-TV has 5-kw RCA transmitter and a 288-ft. Stainless tower with 6-bay antenna at a site 5 mi from Greenwood. It's in NW part of state, the nearest city with TV being Jackson, Miss. 84 mi. away. Other cities with TV outlets are approx. 100 or more mi. distant. Gen. mgr. & owner Cy N. Bahakel also operates radio stations WABG; WLBK Bowling Green, Ky.; WRIS Roanoke, Va.; WWOD Lynchburg, Va.; KXEL Waterloo, Ia.; WKIN Kingsport, Tenn.; WKOZ Kosciusko, Miss. Don Neil, from WABG, is sales & station mgr.; Mrs. Erlene Leach, also WABG, program mgr.; Joseph G. Rachuba, ex-WKDL Clarksdale, Miss., production supervisor; Floyd Coulter, ex-WKOZ, chief engineer. Base hour is \$200. Rep. is Weed.

KVUE has used RCA transmitter acquired from owners of previous Ch. 40 there which left air May 31, 1957 (Vol. 13:20-22). It also is using a Utility guyed tower with pylon antenna. Officers are Allan Lynn (packager of foods for pets), pres. & 10.4% stockholder; Philip Driver (attorney), v.p. & 10.4%; Melvin Lord (retired businessman), treas. & 16.8%. Lynn also is acting gen. mgr., succeeding Melvyn E. Lucas, who remains as 11.1% stockholder; Richard Godon, ex-Ziv, sales mgr.; Lance Romney, ex-former KCCC-TV, program mgr.; J. Kloer, ex-KXTV Sacramento, chief engineer. Base hour is \$300. Rep. is Gill-Perna.

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

KCND-TV (Ch. 12) Pembina, N.D. has filed request for change to 1,350-ft. tower and has a tentative Feb. target, reports 25% owner Robert C. Lukkason, who also is gen. mgr. of KNOX-TV (Ch. 10) Grand Forks, N.D. KCND-TV grantee Pembina Bestg. Co. stockholders include KNOX-TV (25%), KNOX-TV pres. Arthur Tweet (25%) and Harry Rice (25%). Pembina is on Minn. border in extreme NE corner of state, due north of Grand Forks. An RCA transmitter is on order and a Stainless tower also has been ordered via RCA. Network affiliation hasn't been signed. Base hour is not set. Rep is not chosen.

KPEC-TV (Ch. 56, educational) Tacoma, Wash. is testing a 1-kw GPL transmitter, but doesn't plan to start programming until next March, writes Olai Hageness, school supt. of grantee Clover Park Schools. Construction of studio-transmitter building at 5214 Stellacoom Blvd. is about 80% complete. However, the 175-ft. self-supporting tower purchased from defunct KTRX (Ch. 31) Kennewick-Pasco, Wash. still remains to be moved. RCA recently shipped slotted antenna to KPEC-TV (Vol. 15:41).

Coos Bay, Ore. Ch. 11 grantee Pacific Television Inc. has set next summer as the tentative target, according to S. W. McCready, gen. mgr. of KVAL-TV (Ch. 13) Eugene, Ore., owner of Pacific Television. Equipment hasn't been ordered, but plans are to use a 165-ft. Fisher tower. To be operated as second satellite of KVAL-TV, Coos Bay will join KPIC (Ch. 4) Roseburg, Ore. in rebroadcasting NBC-TV programs of parent KVAL-TV. Reps for stations are Hollingbery and Art Moore (Ore. & Wash.).

Agency timebuyers prefer accuracy in station-coverage studies, rather than speed, A. C. Nielsen Co. learned last week following a poll of the research firm's customers on a proposed NCS No. 4 TV-radio study. About one-third of Nielsen clients wanted the measurement made in the spring of 1960, but two-thirds said they'd wait for "a somewhat delayed but more precise census-based coverage study," reported Nielsen v.p. John Churchill. Accordingly, Nielsen plans to make its measurements of station coverage in late 1960 and to issue the findings "no later than spring of 1961." NCS reports on the number and per cent of TV homes in every U.S. county tuned to local TV stations over various periods of time.

Last chance to apply for competitive TV stations in Winnipeg & Vancouver under Canada's new open-city TV policy (Vol. 15:31 ppl&10) expires this week (30). The Dominion's Board of Broadcast Governors (BBG) will hold public hearings on the applications in Winnipeg Jan. 11, in Vancouver Jan. 18. Other application deadlines for new TV stations and their hearing dates & locations: Montreal, Nov. 30 & March 7; Toronto, Dec. 31 & March 14; Edmonton-Calgary, Feb. 29 & May 9; Halifax-Ottawa, March 31 & June 20. The BBG also will hold public hearings in Ottawa next week (Nov. 2-3) on a number of proposed changes in TV regulations, will announce final regulations Nov. 15.

"Honesty" probe of commercials will be made in the next few weeks by NAB's TV Code Review Board, Donald H. McGannon, board chmn. & pres. of Westinghouse Bestg. Co., told a regional NAB meeting in Boston Oct. 23. The previous day, he told us in N.Y. "I think it is important that [misleading commercials] be investigated by the board so that the subscribing stations may be notified of this non-compliance. In turn, conversations should be had with the sponsors so as to assure a more complete compliance with the code."

NTA Storevision's first supermarket outlets will be the Daitch-Shopwell chain of 59 N.Y.C. retail food stores, NTA Storevision pres. Ted Cott said last week. Storevision, which NTA hopes to franchise to stations throughout the country, is an all-day live telecast of 10-sec. commercials, shopping hints, news, time & weather, which is continuously tuned in on various TV receivers placed throughout each store. No closed-circuit telecasts are involved; the service will be aired on WNTA-TV's regular Ch. 13 facilities and will conform to NAB commercial-length policies.

Balance of WRGP-TV (Ch. 3) Chattanooga, Tenn., 70%, has been bought for \$1,750,000 by the Friendly Group's WSTV Inc., principals of which (Louis & Jack Berkman) had owned 30%. The sellers are Ramon and Helen Patterson. The purchase gives the group ownership of 4 TV stations, 7 radio (see *TV Factbook*, p.298). Fred Weber, Friendly Group v.p., handled negotiations for his organization, broker Richard Crisler for the Pattersons.

Work on broadcast manual on how TV & radio should cover trials & other official public proceedings was started recently in N.Y. by a special NAB freedom of information subcommittee. Headed by Frank P. Fogarty of WOW-TV Omaha (Vol. 15:41 p12), the subcommittee approved preliminary plans for the manual, which will supplement NAB's 1959 Guidebook *Broadcasting the News*.

Four Radio-TV News Directors Assn. awards went to TV stations Oct. 17: to WDSU-TV (Ch. 6) New Orleans for editorializing; to KLZ-TV (Ch. 7) Denver for reporting community problems; to WBBM-TV (Ch. 2) Chicago for an on-the-spot news story; to CFPL-TV (Ch. 10) London, Ontario for depth reporting of news events.

Programming

STANTON'S HOUSECLEANING: "Were we surprised? That's putting it mildly," was the comment to us of a spokesman for *Person to Person* producers John A. Aaron & Jesse Zousmer last week concerning a widely circulated remark by CBS Inc. pres. Dr. Frank Stanton that P-to-P told its interviewers in advance the questions likely to be asked.

On Oct. 22, the producers struck back in a letter to Stanton, terming his statement an "unwarranted slur" and a "rank injustice" to the program's staff and some 500 guests interviewed in the past 6 years. Since Pres. Stanton was "unwilling to correct" his remark, the producers wanted out.

A prompt denial that he had intended a slur in his statement "that in the future we want all CBS programs to be exactly what they purport to be" was issued the same day by Pres. Stanton in a letter to the show's producers. Politely declining to refer to the producers' request for a contractual divorce, he specified that "all I have asked of you is that you inform the viewing public of the production practices on *Person to Person*."

Aaron & Zousmer, however, stuck to their guns. "Our representatives and CBS have reached an amicable agreement to release us from our 52-week contract as soon as possible," they concluded.

As part of a general quiz-probe-inspired housecleaning, reported TV critic Jack Gould, pres. Stanton also planned to eliminate other "audio or visual misrepresentations" in CBS-TV's program schedule, notably the use of canned laughter in situation comedy shows and "quasi-actuality" locations of shows which are actually produced in a studio. Chimed in columnist Marie Torre: "It's assumed that [the clean-up will] eventually get around to Westerns and make our cowboy heroes use real bullets instead of blanks. This we'd welcome."

The attack on canned laughter elicited a strangely mixed reaction from Hollywood, where the recorded guffaw has long been an established part of the comedy film series. Some producers we checked insisted that laughtracks are essential to communicate the spirit of fun to the living-room audience. Others labeled it the dinosaur of TV, said it belongs to the early, small-screen age and has long been outdated. Added Dennis O'Keefe: "As long as the other comedy shows use it, you hesitate to drop the track. Someone had to take the lead, and I'd be glad to see it go."

Although NBC-TV had stated Oct. 17 that "we do not believe amputation of one of the oldest & best-liked program forms is the answer to TV's current difficulties," the network late last week decided to follow CBS' lead in a program-schedule cleanup. Officially axed, effective Oct. 26, is *Tic Tac Dough*, noon-12:30 p.m. daytime quiz strip originally packaged by Barry-Enright, but absorbed by NBC in an outright purchase. Program replacement will be *Truth on Consequences*, recently ousted to make way for the 4:30-5 p.m. *Split Personality*.

Just what had caused NBC's about-face on quiz amputations wasn't disclosed by NBC officials we contacted, even though the move cast a lengthening shadow over the other 6 daytime quiz or audience participation shows that make up the bulk NBC's late-morning & afternoon schedule. *Tic Tac Dough* sponsors (Ponds, Standard Brands, Heinz, Brown & Williamson, Borden's) are expected to remain in the time period as sponsors of the revived T or C strip, and were said by one N.Y. source to be the "real pressure" behind the decision to drop *Tic Tac*.

Uncertain Oscarcast: Will Hollywood sponsor its own annual TV showcase, the Academy Awards telecast? Or will dissension in the ranks of movie majors (Universal-International pres. Milton Rackmil wants out) mean regular commercial sponsorship by outsiders? This question was still unanswered last week, with the N.Y. office of the Motion Picture Assn. of America telling us that "we'll have a definite decision by Oct. 28" and with NBC-TV (which has a contract for the show to 1961) giving the MPAA until Oct. 30 to make up its mind.

Hot on the trail of the Oscarcast business, we learned in N.Y. last week, is ABC-TV, since pres. Leonard H. Goldenson of AB-PT has long felt the network's link with the movie industry gives it a strong moral claim to the show. ABC officials feel it's almost a certainty the Oscarcast will be on ABC-TV in 1961, with the network willing to be lenient in the matter of sponsorship costs.

"Now the quiz show scandals have given rise to fears of a movement to extend government control. The phony quiz shows, everyone agrees, are indefensible. This station criticized them editorially a week and a half ago as dishonest and fake. But we agree with five speakers who discussed the subject before the News Directors' convention . . . the answer to rigged quiz shows is *not* government control. Government control of programs would represent a step toward official censorship, a step away from freedom. And it might, or might not, stop at broadcasting. Newspapers, for instance, are also open to possible government interference, through their dependence on the second class mailing privilege. The broadcasting industry should be, and is, ashamed of its negligence in the quiz show situation. The industry is already taking steps to prevent any recurrence. There are some people who believe that everything can be cured by passing a new law. This is not one of those cases. This is a situation that is being cleaned up without a new law . . . and a situation in which any attempt at a new law would almost certainly do much more harm than good."—Oct. 19 on-air editorial by WDSU-TV & WDSU New Orleans.

"Time" cashes in again this week (Oct. 26 issue) on the newsstand-sales value of TV's personalities with a cover-story on the private eyes. What is probably the most untypical *Time* cover in history (an action shot featuring 5 top TV detectives, complete with corpse & suspect) fronts for a 5-page round-up. Its thesis: "In a season riddled with old scandals & new specials, the cowpoke is still top draw, but the eye has impressive fire power, and by year's end he may well be top gun." A parallel of the magazine's recent Western round-up, the piece notes that there are 62 cops-&-robbers shows now on TV, with a combined budget of more than \$1,250,000 a week.

To examine ASCAP's affairs every 2 months, appointment of 2 outside overseers was proposed in U.S. District Court in N.Y. Oct. 19 by Judge Sylvester Ryan. Suggested for the task were former Sen. Irving M. Ives and former N.Y. state Supreme Court justice John E. McGeehan. Judge Ryan, who said neither man had as yet been approached, was examining a proposed consent order drafted by ASCAP and the Dept. of Justice that would make distribution of ASCAP's \$28-million annual royalties more equitable and revise its voting system. The Justice Dept.'s anti-trust div. stated, "ASCAP rather obviously needs regulation and if this court doesn't do it, there is no other agency that will." Should Judge Ryan approve the proposed consent order, possible anti-trust action by the Justice Dept. would be averted.

THOSE RATING DROPS (Cont.): Stagecoach sagas aren't the only program types to stumble into a statistical gopher hole since last year, ABC-TV officials pointed out to us last week, although the 1958-1959 drop in Nielsen average-audience rating figures for Westerns has been drawing considerable attention (see "Westerns Go Thataway," Vol. 15:40, p7).

Quiz & audience participation shows, even before the full impact of the Congressional probe was felt, were already registering the most serious category drop in a comparison of late Sept. 1959 Nielsen figures with those of the same rating period of 1958, said ABC. With the number of network quiz programs also dwindling from 15 (1958) to 10 (1959), average-audience level fell from 19.8 to 17.1—a plunge of 14%. Next in line was situation comedy, which fell from a level of 19.8 (on 13 shows) to a level of 18.1 (on 11 shows) this season—down 9%.

Network Westerns—which have grown in number between seasons from a Sept. 1958 total of 16 to the current crop of 24—went down from a rating level of 23.8 to a lower level of 21.9—a dip of 8%. Suspense dramas (30-min. & 60-min. combined) fell off 6%, and drops of 1% each were made by the adventure & variety categories. (See p. 13 for related story.)

"What looks like trouble for Westerns is actually caused by several factors," Fred Pierce, ABC-TV research mgr., told us last week. "For one thing, most top Westerns last year faced competition from entirely different types of shows. For our own part, we deliberately slotted our Westerns last year against contrasting shows on NBC and CBS. This year, for the first time, you have a number of situations in which new Westerns are slotted against old Westerns, which dilute their audience appeal."

Rating equivalents of classic Western dusty-street showdowns are being staged, Pierce explained, on 4 out of 7 nights—Sun. (a portion of *Riverboat* against *Maverick*), Mon. (*Cheyenne* against *The Texan*), Tues. (*Laramie* vs. *Sugarfoot/Bronco*), Fri. (*Rawhide* vs. *Walt Disney Presents*, which features Western episodes frequently, and *Hotel de Paree* against *Man from Blackhawk*). Altogether, notes Pierce, this now amounts to a total of 10 network program periods involved in a same-category battle.

* * *

Pierce also took exception with TV researcher Horace Schwerin's recent remarks (Vol. 15:42, p13) that Westerns "seldom have efficient sales results" for their sponsors.

"Schwerin is forgetting that Westerns nearly always have larger total audiences which more than make up for shows which seem to be giving more impact, or more 'class' to a commercial," he said. "If Westerns didn't sell goods, do you think an astute advertiser like Procter & Gamble would have *Wells Fargo*, *The Rifleman*, *Wichita Town* and *Wyatt Earp* on its schedule?"

Not directly connected with the rating & sales ability of Westerns, but of considerable interest however, are 2 more items in ABC's comparison of Nielsen rating figures for the periods mentioned earlier. General drama shows, which shrank slightly in number (from 16 to 14 shows), jumped from 16.9 to 17.9 in ratings—a gain of 6%—between 1958 & 1959. A major gain, still small in terms of numerical Nielsen rating level, but impressive on a percentage basis, was scored by the catch-all category of "other" programming (news-in-depth, documentaries, public affairs, specials on a pre-emption basis, etc.) which moved from a rating level of 11.0 to a level of 14.0—a thought-provoking increase of 27%.

Foreign

More about

USIA FOREIGN TV TOTALS: The U.S. Information Agency's latest report on overseas TV expansion (see p. 3) is prefaced with this warning: "Statistical data must be viewed with caution since the reliability of the sources from which these statistics are compiled varies. Where official sources are lacking, a consensus of a variety of unofficial sources is used."

USIA's figures exclude U.S., its territories, Canada and overseas armed forces installations. The tabulations include for the first time a report on hours of operation. Following are USIA's estimates.

Country	Stations	Sets	Average daily hours on air
Western Europe			
Austria	15	88,200	3½
Belgium	5	350,000	5
Denmark	6	300,000	2½
Finland	9	21,000	4
France	48	1,300,000	6½
West Germany	141	2,903,000	5½
Ireland ¹	—	35,000	—
Italy	329	1,560,000	8
Luxembourg	1	4,000	4
Malta ²	—	7,000	—
Monaco	1	11,000	2½
Netherlands	6	500,000	2
Norway	1	1,800	irregular
Portugal	5	35,000	3
Spain	3	150,000	7
Sweden	16	450,000	2½
Switzerland	13	69,200	3
United Kingdom	30	10,000,000	7½ ³
Yugoslavia	3	12,000	4
Latin America			
Argentina	1	300,000	15
Brazil	9	850,000	8-12 ⁴
Chile	1	—	irregular
Colombia	9	150,000	5½
Cuba	24	365,000	10-12 ⁵
Dominican Republic	4	13,000	— ⁶
El Salvador	2	15,000	8-8½
Guatemala	2	20,000	4-4½
Mexico	19	500,000	7-8
Nicaragua	1	2,500	5
Panama	—	8,000	— ⁷
Peru	4	27,500	— ⁸
Uruguay	1	15,000	5½
Venezuela	11	200,000	— ⁹
Near East, South Asia & Africa			
Algeria	2	32,000	6
Cyprus	1	3,000	3 ¹⁰
India	1	300	1½ ¹¹
Iran	1	20,000	5
Iraq	1	9,000	3½
Kuwait	—	600	—
Lebanon	2	3,500	4
Morocco	2 ¹²	5,000	—
Saudi Arabia	1	2,500	2½
Turkey	1	1,000	— ¹³
Far East			
Australia	6	618,000	9-14
Hong Kong	1 ¹⁴	3,000	5½
Japan	76	2,949,000	— ¹⁵
Korea (South)	1 ¹⁶	6,000	—
Philippines	2	25,000	— ¹⁷
Thailand	2	40,000	— ¹⁸
Communist Bloc			
Bulgaria	1	3,000	irregular
Czechoslovakia	9	450,000	5
East Germany	12	425,000	6
Hungary	2	30,000	2 ¹⁹
Poland	11	138,000	5 ²⁰
Rumania	2	15,600	4 ²¹
USSR	126	3,000,000	7½ ²²
Communist China	3	5,000	3 ²³
Total	985	28,047,700	

¹ No TV in Ireland; tune in to U.K. stations. ² No TV in Malta. Tune in to Italian stations. ³ Both BBC & ITA. ⁴ Main stations. ⁵ Main stations. ⁶ HIT-TV, 6 hrs. daily; IIN-TV, 3½ hrs. daily. ⁷ Tune to Canal Zone Armed Forces stations, no TV in Republic of Panama. ⁸ American-TV, 4 hrs. daily; Ch. 7, 2 hrs. daily. ⁹ Radio Caracas TV, 16 hrs. daily; Televisia Venezolana, 11½ hrs. daily. ¹⁰ Five days a week. ¹¹ Twice a week. ¹² Off the air. ¹³ Two hrs. weekly. ¹⁴ closed-circuit cable system, not included in station totals. ¹⁵ NHK, 10 hrs. daily; commercial stations, 4½-12 hrs. daily. ¹⁶ Off the air. ¹⁷ DZAQ, 10 hrs. daily; DZXL, 5 hrs. daily. ¹⁸ TTV, 5 hrs. daily; Army TV, 3½ hrs. daily. ¹⁹ Five days a week. ²⁰ Six days a week. ²¹ Five days a week. ²² Ch. I, 5 hrs.; Ch. III, 2½ hrs. (Moscow TV). ²³ Six days a week.

Networks

News Teams Ranging the Earth: Networks are sending an increasing number of news teams overseas to prepare footage for prime-time public-affairs specials or regular programs. At present:

ABC-TV is preparing a prime-time 60-min. special on South & East Africa from footage shot by *Open Hearing* producer Helen Jean Rogers during her recent African trip. She had originally gone to Africa to make films for *Open Hearing* but "the footage was too good to throw away on Sun. afternoon," a network spokesman told us. Also on the ABC drawing boards is a series of some 26 prime-time news & documentary programs which, "provided there is some sponsor interest," would also send news teams abroad in preparation of several of them. ABC's recent "Splendid American" was the first to emerge from this new group.

CBS-TV's Av Westin and a crew consisting of Howard K. Smith, Art Bonner and cameraman John Elsenbach are currently overseas preparing an international news special on the world-wide problem of expanding population. The program, scheduled for *CBS Reports* (sponsored by Bell & Howell and B. F. Goodrich) Nov. 11, is being filmed in India which is the focal point of the report. Another *CBS Reports* crew, headed by Winston Burdett and William McClyre, is in Iran preparing a program on the Middle-East struggle. Date of this telecast is not set.

NBC-TV commentator Chet Huntley, who recently returned from Ghana, is organizing the second half of a 2-part series of evening specials on *Emerging Africa*, based on his trip. Accompanying him abroad were dir. Jack Sughrue, reporter Piers Anderton and cameraman John Peters. NBC also plans a special on Latin America based on films taken there this year by the husband & wife team of Wilson & Lee Hall.

Court action by Dominican Republic to recover \$750,000 from MBS opened in N.Y. Oct. 22. The Dominican counsel attempted to prove that this sum, paid last Feb. to ex-MBS head Alexander L. Guterma, is a liability of Mutual. Mutual's contention is (1) that Guterma didn't represent the network in his transactions with the D.R. and (2) that the establishment by Guterma of Radio News Service Corp. as a Mutual subsidiary could be questioned for its legality. Guterma's attorney Richard H. Wels had made a plea in federal court Oct. 20 for dismissal of a securities-fraud indictment against Guterma which charges conspiracy to defraud by failing to file SEC reports. Judge David N. Edelstein reserved decision on the motion.

Too many in TV are ashamed of the medium, and when it's criticized they try to please everyone, to rationalize, to hedge, ABC-TV v.p. and KABC-TV gen. mgr. Selig J. Seligman last week told the Western regional convention of the AAAA at Santa Barbara, Cal. He scolded those in TV who are apologetic and who are ashamed of their profit motive. Profit is the first principle, but there should be revenue left over for experimentation, he said, and there should be some programming not entirely for profit. Educational TV should be developed, but in an area apart from the commercial TV industry, Seligman asserted.

CBC-TV network service has been extended by microwave to CFCR-TV Kamloops, B.C. and CHBC-TV Kelowna, B.C., with its satellites CHBC-TV-1 Vernon & CHBC-TV-2 Penticton.

ABC Makes It in Daytime: It took ABC-TV nearly a whole year to turn the trick, but the network's invasion of daytime program hours is now paying off in the kind of ratings & sponsorship ABC officials originally anticipated but didn't at first receive. In Trendex markets, where networks face 3-way daytime competition, ABC edged out NBC-TV in audience share during the noon-4 p.m. period for the week ending Oct. 16 with a 23.3 against 22.5, nearly doubling the 12.6 share ABC scored back in Jan.-March. CBS-TV still led the daytime field (as it has for several seasons) with a 37.0 share.

In sales, ABC has advanced from the point this summer where only 50% of 70 available 15-min. periods were sold. At the moment ABC's network sales dept. tells us, sales are up to the 75% mark with the addition of new sponsors Coty, Staley, S. C. Johnson, Sterling Drug, Durkee Foods and Minute Maid, and additional participations from Gen. Foods, Lever Bros., Reynolds Metals, Drackett.

CBS-TV pres. Louis Cowan entered a N.Y. hospital Oct. 22 for treatment of a thrombosis, according to an intra-network memo. "Although there is no way of knowing how long he will have to be hospitalized, we are advised that a minimum of several weeks is usual in cases of this kind," the memo said. Cowan's functions will be carried on by "a team of vice presidents," CBS says, but insiders say Cowan's day-to-day operational duties will actually be handled by exec. v.p. James T. Aubrey.

Step-up in NBC-TV sports coverage is evident in a 50% increase in the number of professional basketball games being televised on Sat. & Sun. afternoons this season. The network is entering its 6th year of pro-basketball coverage with plans to telecast 49 games, compared to only 25 NBA games last year. Sponsors include Anheuser-Busch & Phillies Cigars.

Canadian TV industry awards will be established for annual recognition of outstanding network & local programs in a range of classifications. Representatives of CBC and its 51 affiliated TV stations approved the award proposal at the recent affiliates meeting. The program advisory committee will select an appropriate TV industry symbol & name for the awards.

NETWORK SALES ACTIVITY

ABC-TV

Daytime programming participations, 20 15-min. segs. over 35 wks.
Durkee Famous Foods (Meldrum & Fewsmith)

Daytime programming participations, one 15-min. seg. each week for 52 wks.
Whitehall Labs (Ted Bates)

NBC-TV

Laramie, Tues., 7:30-8:30 p.m., one-third segs. alt. wks.
Liggett & Myers (McCann-Erickson), *Colgate-Palmolive* (Ted Bates & Co.), *Miles Labs* (Wade)

Bonanza, Sat., 7:30-8:30 p.m., alt. wk. one-third segs.
Miles Labs (Wade)

The Philadelphia Story, Dec. 7, 9:30-11 p.m., adaptation of the 1939 Philip Barry comedy.
Westclox and *General Mills* (both BBDO)

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MERRILL PANITT, Editorial Director
HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
HAROLD RUSTEN, PAUL STONE

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Personals: Dr. Arthur L. Lebel, acting chief of State Dept. telecommunications div., elected chairman of Radio Technical Commission for Aeronautics, succeeding J. S. Anderson, pres. of Aeronautical Radio Inc. . . Charles M. Kenyon, ex-Frito Co., named mktg. dir., Metropolitan Bestg. Corp. (WNEW-TV & WNEW N.Y., WTTG Washington and radio WHK Cleveland) . . Robert B. Hoag promoted from CBS-TV program sales mgr., N.Y. to asst. program dir., administration, Hollywood . . William T. (Tom) Hamilton, sales mgr., WNDU-TV South Bend, Ind. & radio WNDU gen. mgr., appointed acting gen. mgr. of both stations, succeeding Bernard C. Barth who died Sept. 22 (Vol. 15:40 p10) . . Robert L. Nelson, ex-KHJ-TV Los Angeles promotion mgr., named asst. dir. of research & sales promotion, KNXT Los Angeles . . Rocco C. Siciliano, ex-special asst. to President Eisenhower for personnel management, on Dec. 1 becomes partner in Washington law firm of Wilkinson, Cragun & Barker. He was asst. Secy. of Labor, July 1953-Sept. 1957 . . Donald H. McGannon, WBC pres., appointed to advisory council for liberal & fine arts, U. of Notre Dame.

Joseph Casola named sales development mgr., NBC Spot Sales . . Harvey La Terre named sales development coordinator, NBC participating programs . . George W. Cyr, ex-WNBK-TV Cleveland and WRCV-TV Philadelphia, named program dir., WGR-TV Buffalo, succeeding Paul Sciandra, named to similar post at WROC-TV Rochester.

Otis Freeman, WPIX N.Y. chief engineer, elected engineering v.p. . . Irving Briskin and William Dozier elected Screen Gems dirs. . . Harold C. Lund, Westinghouse Bestg. Co. v.p. for Pittsburgh area (KDKA-TV & KDKA), honeymooning in Caribbean with Pittsburgh actress-model bride Virginia Mayer . . Floyd Farr, gen. mgr. of KEEN San Jose, elected to NAB's Radio Board to represent Dist. 15, filling out unexpired term of Joe D. Carroll, who resigned on leaving KMYC Marysville, Cal.

Obituary

William Golden, 48, creative dir. of sales promotion & advertising, CBS-TV, died Oct. 23 at his home in Stony Point, N.Y., from a heart attack. He joined CBS in 1937 and 3 years later was appointed CBS art dir. Surviving are a wife and son.

Charles B. Brown, 62, ex-v.p. of Bing Crosby Enterprises, died in Hollywood Oct. 17 of a heart attack. He was a former pres. of the Academy of TV Arts & Sciences. His widow and a brother survive.

Bullish book sales and a revival of reader interest in Henry James's *The Turn of The Screw* was a direct result of the Oct. 20 Ford-sponsored adaptation starring Ingrid Bergman on NBC-TV. In N.Y., we checked the Brentano and Doubleday book shops, and learned that the entire stock of a paperback edition of James's novello was exhausted the following day. "The demand wasn't as heavy as it is for books tied-in with TV educational shows, but it was unusual," an official of Brentano's Radio City branch said. At the N.Y. public library, copies of the book were gone by noon on Oct. 21, with most copies at library branches also out. Most-asked question at the library by viewers: "Does the governess defeat the ghosts?" Answer: "James also left it in doubt."

New books by broadcasting people: *Christmas with Ed Sullivan*—a potpourri of holiday tales, some well-known, some Sullivan's own, or told him by his friends (McGraw-Hill, \$4.95). *The Secret World of Kids*, by Art Linkletter (Bernard Geis Associates, \$3.50, out Oct. 27th). *My Eyes Are My Heart*, Ted Husing autobiography, written with Cy Rice (Bernard Geis Associates, \$3.95, out Oct. 30th). Publication of 4 books based on *Project 20* productions was announced last week by NBC-TV: *Victory at Sea*, (Oct. 22, Doubleday), *The Jazz Age*, (Putnam, Nov. 13), *Meet Mr. Lincoln*, (Ridge Press, Feb. 1960), and *Mark Twain's America* (Ridge Press, fall 1960).

Meetings next week: Canadian Board of Best. Governors public hearings on new broadcasting regulations (Nov. 2-3), Board of Transport, Ottawa. . . Bcstrs. Promotion Assn. convention (2-4) Warwick Hotel, Philadelphia. TIO dir. Louis Hausman will be the keynote speaker. Others: H. Preston Peters, Peters, Griffin, Woodward; A. J. Young, Adam Young Inc.; James T. Quirk, *TV Guide*. (NBC chmn. Robert Sarnoff canceled his scheduled appearance before the BPA so that he might be "available" in his N.Y. office Nov. 2 when Charles Van Doren is scheduled to testify in Washington..)

David Levy, NBC program & talent v.p., and C. Terrence Clyne, McCann-Erickson TV-radio senior v.p., will discuss "TV Programming—Its Problems & Prospects" at the first session of the 16-meeting 1959-60 RTES time buying & selling seminar, Nov. 17. Attendance is open to all. For information: RTES, 515 Madison Ave. (PLaza 8-2450).

Board of governors of ABC-TV Affiliates Assn. met for 2-day session with ABC executives in Beverly Hills last week. Joseph F. Hladky, pres. of KCRG-TV, Cedar Rapids, Ia., and chmn. of Affiliates Assn. board of governors, said, "This was the most successful meeting ever held by the ABC television affiliates with the network. The affiliates are very pleased at the progress made by the network, and with its plans for 1960-61." All 9 members of the board attended.

Broadcasting conference for Ore. high school seniors was slated for Sat. (24) at the U. of Ore. to acquaint the teen-agers with career opportunities in TV-radio. The all-day session is the 6th annual meeting sponsored by the Ore. Assn. of Bcstrs. and the U. of Ore. School of Journalism. Last year's conference attracted more than 200 students & teachers from 37 high schools in the state.

CHEX-TV Peterborough, Ont. lost its video signal during an electrical storm recently. As viewers wonderingly stared at their blank screens, the announcer explained helpfully: "The audio transmitter at CHEX-TV is off the air. That is why you cannot hear me."

Advertising

In Other Media: Upbeat report on magazine circulation during first-half 1959 is contained in the latest Gallagher Report which lists 176 publications having at least 100,000 circulation. Forty-two topped 1 million; 8 had more than 5 million. Among the 25 leaders only 4 were down: first-place *Reader's Digest* (down 0.4%), *American Legion*, *True* and *Argosy*. Total single-issue magazine circulation increased 4.2% to 165,313,223 copies, compared with 158,615,032 in first-half 1958. Subscriptions went up 4.7%, single copy sales increased 3.2%. The total circulation increases were higher than in any of three past Gallagher studies. The single-copy sales increase of 3.2% compared with an 8.3% decline in the year-ago period, a 5.6% decline in last-half 1958, and a 4.3% decline in last-half 1957 . . . Ad revenue of 83 consumer & farm magazines rose 12% to \$549,524,469 during the first 9 months of 1959, up from \$492,644,015 tallied in Jan.-Sept. 1958, reports MAB. The \$57 million gain was the largest in magazine publishing history. Monthly magazines recorded the major increase, up 31.9% in dollar volume . . . Magazine lineage rose 9.7% in Oct. over Oct. 1958 and pushed the cumulative Jan.-Oct. totals 7.1% ahead of the year-ago volume, records *Printers' Ink*. Top gainers were business & finance publications, up 16.9% for Sept.-Oct. issues, ahead 8.3% for year-to-date . . . Newspaper color lineage soared 40.7% to 11,922,843 lines in Aug., compared with the r.o.p. color lineage reported for Aug. 1958. Cumulative color lineage for Jan.-Aug. is reported at 93,835,982, a 25% gain over the '58 period.

Traditional agency practices of buying "standard metropolitan areas" should be scrapped & replaced by budgets allocated on principle that a city's true boundary today is not geographic, but the maximum reach of its TV-radio stations. So said Westinghouse Bcstg. Co. research dir. Mel Goldberg last week, as he previewed "Megatown" for us—a new sound-slide media presentation for which WBC & its house-rep firm, TvAR, will start management-level agency exposure this week. The study's key point is that the nation's major cities have exploded in the postwar period into 15 "megatowns" which contain half of the country's population.

More trade associations are coming into TV, says *Sponsor*, pegging this as a "banner year" with these 10 now using the medium: American Dairy Assn. (*Perry Como Show, Today*); American Gas Assn. (*Playhouse 90*); American Petroleum Institute (*Today*); Cal. Prune Board (*Today*); Edison Electric Institute (various daytime); Florida Citrus (various); Florists Telegraph (Tournament of Roses); Savings & Loan Foundation (various); Swiss Watchmakers (specials); and U.S. Brewers Institute (specials).

Performance of TV-radio reps was rated good-to-excellent by 68% of 133 ad-agency media executives who responded to a recent *Sponsor* appraisal survey. Other scores: fair, 28%; poor, 2%; terrible, 2%. The reps were rated strongest in "serving us with availabilities promptly," received the most knocks for "giving everyone the same station & package rates." Overwhelming requests from the respondents were for more expert salesmen, more general market data, more competitive media information, more special package rates, and less direct mail data.

New rep: WCOV-TV Montgomery, Ala. to Venard, Rintoul & McConnell Oct. 19 (from Young).

People: William Belcher, ex-Y&R, named associate media dir., McCann-Erickson, Hollywood . . . Crawford Paton, ex-Warner Bros., named McCann-Erickson v.p. & mgr. of the new media div. consisting of the media dept. & media planning unit in the N.Y. office. The 2 units of the new div. will continue under their present management.

Frank K. Mayers and Paul K. Hogue elected Foote, Cone & Belding v.p.'s . . . Glen W. Fortinberry, ex-Maxon, named D'Arcy Adv. v.p. . . . Charles C. Allen, ex-Blair TV, appointed business mgr., TV-radio dept., Kudner Agency . . . Victor G. Kenyon, James G. Macpherson, Allen Z. Hodshire elected Maxon v.p.'s . . . George Hamm named Leo Burnett v.p. . . . Fred Roth named Grant Adv. v.p. . . . James H. Cobb, ex-Adams & Keyes, named Fletcher Richards, Calkins & Holden v.p.

Grey Agency is currently presenting this "fragmentary list of new media born in recent months or now in gestation: Space sold to advertisers on: milk cartons supermarket shopping bags, restaurant place mats, rest room roller towels, Doctor Spock's book on baby care, trading stamp books, paperback books, golf tees, parking meters, in-the-store television, circulars on seats of commuter trains, and even the hitherto inviolate exterior of Fifth Avenue busses . . . and so many others. New types of magazines: coupon magazines on sale at supermarkets, a magazine which can not only be read, but can be used as long-playing records; new magazines to reach special markets. Don's be surprised to see more billboards crop out at marinas and waterways where the millions of boat enthusiasts congregate. Underwater billboards to appeal to skin divers are more than a dream. They're in existence."

Another FTC warning to suppliers & retailers to stop illegal pricing and/or advertising allowance practices (Vol. 15:37 p10) has been trumpeted by chmn. Earl W. Kintner. In a speech to a Washington convention of the National Assn. of Food Chains, he called on retailers to police their "own individual business conduct" if they want to avoid an FTC crackdown. Some elements in the food industry "measure up rather badly" in their practices now, Kintner said, adding "there is every reason to believe that the coming years may see a renewed emphasis on direct enforcement" of Clayton Act bans on discriminatory pricing.

Network TV daytime billings jumped 28.2% in Aug. over Aug. 1958, pacing an overall 27% increase for the first 8 months of 1959 compared with the Jan.-Aug. 1958 period, reports TvB. Cumulative gross time charges show daytime billings of \$132,645,979 for Jan.-Aug. 1959 vs. \$104,452,184 for the first 8 months of 1958. Aug. 1959 billings were \$14,253,181 compared with \$11,120,040 for the year-ago month. Aug. 1959's leading TV network advertiser was Procter & Gamble, with \$3,828,802 in gross billings. Kent cigarets was the leading net-advertised TV brand, with \$873,519 in billings.

"Silent movie" commercials are gaining in favor as an off-beat TV sales technique. A series of such pantomimed plugs for Dutch Masters cigars, featuring comic Ernie Kovacs, will be integrated in the cigar firm's new panel show, *Take a Good Look*, that started Oct. 22 on ABC-TV.

Obituary

Will Whitmore, 57, AT&T adv. mgr. for sales promotion, died Oct. 20 at St. Luke's Hospital. He is survived by his wife and 2 daughters.

Film & Tape

FEAR IN HOLLYWOOD: What some observers have termed Hollywood's worst TV season has brought near panic to the film capitol, with about half the series in various stages of trouble.

Symptomatic of the panic is the mass exodus of producers from series at such an early stage (Vol. 15:41, 42) and Westinghouse's cutback of *Desilu Playhouse* to alternating sponsorship, making the 60-min. show the first casualty of the season. There is also the frenzied commuting between both coasts by network, agency and production executives trying to plug up the dam of what may be a record flood of casualties.

We predicted a sizable number of year-end cancellations (Vol. 15:31), and nothing has happened since then to change that belief. On the contrary, it now appears the cancellations will come earlier than anticipated.

Understandably, there are varied explanations for the coastal tremors. Some executives blame nervous sponsors & agencies. Others make networks the heavies. Still they complain that while there hasn't been a single hit show among the new entries it's too early to push the panic button. Unquestionably significant in the picture is Nielsen's new report (see p. 9) showing dropped ratings for Westerns, suspense dramas and adventure films.

Don Sharpe, producer-packager, commented: "There has been so much indecision by the agencies & networks that they have panicked. Once the networks take the position it's their job to program, they're in trouble. Everybody becomes a critic, and everybody panics." Producer Bud Yorkin, just back from N.Y. to discuss several ventures with ad agencies, said: "I've never seen them so unhappy with what they're getting from Hollywood." Remarkably a top MCA executive: "The panic is on. The sponsors & agencies are getting nervous earlier than ever before. They're not waiting this season."

But the fact remains that most shows are not drawing big. Example: Westinghouse has been paying \$100,000 a segment for *Desilu Playhouse*, yet its ratings have been slipping. When ABC's *77 Sunset Strip* began its new season opposite Playhouse, it cut the anthology series down to its lowest rating ever. McCann-Erickson's Bob Healy flew to Hollywood to notify Desilu that beginning Jan. 1 it would pay for a Playhouse only every other week. While tradesters were not surprised at the action, there was surprise that it came so soon. The cutback represents a loss of approximately \$1.2 million in production money to Desilu.

Aside from its ratings, Playhouse has suffered from undistinguished product and its shift from Mon. to Fri. night, opposite the popular *Sunset Strip*. A press handout from Desilu said it was going along with the cutback to "maintain program standards," and because of Desi Arnaz' "many commitments." Desilu has one other network series, *The Untouchables*, half-ownership in *The Ann Sothern Show* and *The Texan* and 2 syndicated series, *Grand Jury* and *U.S. Marshal*. Desilu must still film 15 Playhouse segments, but once they're completed, will need new tenants or shows to keep stages busy at its 3 studios—Desilu Gower, Culver and Cahuenga. CBS is considering specials for the alternate weeks of Playhouse.

Another trouble spot is 20th-Fox TV, off to a faltering start this season, particularly with *Adventures in Paradise*. Production chief Buddy Adler had to step in to supervise the series. 20th-Fox TV pres. Peter Levathes told us last week there is "tremendous improvement" in upcoming segments, and he is confident the series will make it.

NBC last week made the first buy of a show for next year, an untitled Western starring Brian Keith, and produced by Four Star Films. The network apparently bought the series to replace another show to be axed this fall, but Hollywood sources didn't know which. The new series was formerly titled *Winchester*. The network order is for 26 segments, with option for 13 more. This gives Four Star a total of 10 series.

Observers estimate there are more than 30 series in trouble at this point—which means there's scarcely a telefilm company in Hollywood that's immune, certainly few among the bulk producers of film. There are a few islands of calm, such as Spartan Productions, which produces the hit *Peter Gunn*. (Spartan has a second series, *Mr. Lucky*, which was slated to debut Sat. night.)

In Hollywood last week desperate efforts were being made to salvage series in trouble, and failing that, to have ready pilots or presentations for new replacements.

While nobody seems to expect many hits from TV anymore, most feel that this season has failed to produce one hit thus far. Last season there were 2—*Peter Gunn* & *77 Sunset Strip*. However, there are a lot of telefilm series which still have good ratings, sustain quality and are safe. Not surprisingly, some of these are holdovers. Still right up there flirting with the No. 1 spot in ratings is the veteran Western, *Gunsmoke*. Its CBS stablemate, *Have Gun—Will Travel*, still has good ratings despite its behind-the-scenes difficulties this season. Revue's *Wagon Train* is sturdier than ever, rolling along with a steady & increasing following. *Peter Gunn* and *77 Sunset Strip* retain their popularity, and are out-distancing all their imitators this season.

A promising newcomer is Screen Gems' *Dennis the Menace*, which has upset *Maverick* in the ratings. Other film shows considered safe on the basis of ratings thus far include *Wanted—Dead or Alive*, *Dick Powell's Zane Grey Theatre*, *The Deputy*, *GE Theatre*, *Bat Masterson*, *The Real McCoys*, *Bachelor Father*, *The Texan*, *The Rifleman*, *The Detectives*, *Tales of Wells Fargo*, and *Lawman*.

* * *

Overseas film shows are having producer problems too, paralleling the current wave of Hollywood telefilm resignations (Vol. 15:42, p15). Anthony Perry, producer of *Interpol Calling*, a 30-min. filmed-in-England series being made as a co-production between J. Arthur Rank and ITC's Jack Wrather, resigned last week in London. The series is on the air on British commercial TV, but won't be placed on the U.S. market until production, currently lagging far behind schedule, can be accelerated. Also involved in a labor fracas, for the third time, is NTA-BBC co-production *The Third Man*, with British film unions complaining the producers are attempting to force a labor speedup.

Hollywood's Labor Pains: Writers Guild of America, already striking the independent movie producers, became further enmeshed in difficulties last week, when the major movie studios rejected key demands in the Guild's proposals for a new contract. As anticipated, the studios turned down proposals for a format on payment regarding post-1948 movies released to TV, and a demand to reopen negotiations on payments of movies to pay TV when and if there is such a system. The majors termed the situation a "deadlock," and said the Guild had sent a notice of termination of contract effective Nov. 17. The Guild, on the other hand, said it wanted to have more negotiations, to sidestep the crucial issues for the time being.

MGM Looks Ahead: MGM-TV isn't at all discouraged by the fact that reruns of *The Thin Man* on NBC-TV are its sole network vehicle this season. With the aid of a \$21,000, 43-min., semi-animated "concept presentation," TV v.p. George T. Shupert is already making the rounds of top ad agencies & the networks to drum up long-range business for the 1960-61 season for a total of 14 new telefilm properties in almost every program category.

In N.Y. last week, Shupert said that "network commitments" had been made so far on 3 of their proposed series *Asphalt Jungle*, *Father of the Bride* and *The Islanders* and that "3 other properties are in the network discussion stage." (The committed properties involve ABC-TV, CBS-TV and NBC-TV have seen the MGM presentation, but haven't signed for any shows.)

Shupert doesn't want to take any chances on being stuck with pilots of film series that clients will be willing to buy only if MGM-TV makes extensive changes. MGM will "share creative control and allow limited profit participation down through all the reruns" if networks or advertisers are willing to share the burden of financing pilots on most of the proposed series properties, and be in the act with MGM from the start, he stated.

Other properties in MGM-TV's new lineup: *Me & My Gals* (a situation comedy series produced by Alan Jay Lerner), *Dr. Kildare*, *National Velvet*, *The Paradise Kid* (a Western), *P.S. from Paris* (a situation comedy based on Art Buchwald stories), *Steven V* (a private-eye show about an ex-king-turned-detective), *First Family* (a series about life in the White House during Theodore Roosevelt's administration), *Gold Eagle Gun* (a California Western), *Agatha Christie* (adaptations of her famous detective novels) *Mystery Street* and *Night People*.

* * *

Paramount will expand its telefilm activities through a newly created offshoot, Paramount Pictures TV div. (Par-TV), this season. Named to head Paramount film (but not tape) operations last week was George Gruskin, onetime co-head of William Morris' TV-radio talent & packaging operations. "We plan to operate with an 'open-door' policy to agencymen & network executives, unlike most other Hollywood majors in TV," Gruskin told us in N.Y., adding, "We're looking at a number of properties which we intend to produce in pilot form ourselves, or as co-productions with individual talent, directors, writers or producers." In his new post, Gruskin will report to Paramount v.p. Robert J. Rubin.

Levathes on TV Critics: TV critics often review shows on the basis of personal tastes, not with regard to public likes & dislikes, claims 20th-Fox TV pres. Peter Levathes. Admitting that he was referring chiefly to the press roasting of 20th's *Adventures in Paradise*, Levathes opined that ABC's junketing of newsmen to Hawaii to preview *Paradise* was a mistake. It only brought bad reviews, which harmed the series, he said.

Levathes (who wasn't with 20th at the time of that junket), said he had no quarrel with newsmen who criticize constructively. But, "these critical reviews were unrealistic. I don't know in what context they panned the show. In fact, everything on TV is panned. I don't think such reviews reflect the views of the people. Some reviewers are not in touch with the people, other reviewers are scholastic in their approach. There are some good & some bad shows this season. There is no evidence that the public is not watching TV as enthusiastically as it ever did. (For a contrary report, see p. 9.)

OVERWORKED STARS: Most of the TV stars under contract to Warner Bros. have made a mass protest to the Screen Actors Guild over what they term unfair working conditions. Guild's board of directors will meet this week (Oct. 26) to consider action in the situation, which is unprecedented in Hollywood.

Trouble has been brewing for a long time at Burbank, home of the WB studio. It first became apparent last year when Clint Walker, star of *Cheyenne*, was placed on suspension after he protested working conditions and made certain contractual demands. It's no secret in Hollywood that most WB TV stars complain bitterly that they work too many hours—well past the 6 p.m. deadline usually followed by most studios. SAG said it has received more member complaints about Warners than any other company.

The principal objection voiced by the stars is that they work overtime continually and that the Guild regulation providing for a 12-hr. rest period between calls is continually violated.

A Guild spokesman told us to "watch for explosive action" following the Mon. meeting. Stars at the SAG meeting included Efrem Zimbalist Jr., Roger Smith and Edd Byrnes, 77 *Sunset Strip*; James Garner, Jack Kelly, *Maverick*; Jeff York, Roger Moore, *The Alaskans*; Clint Walker, *Cheyenne*; John Russell, Peter Brown, *Lawman*; Anthony Eisley, Poncie Ponce, *Hawaiian Eye*, and Ty Hardin, *Bronco*.

WRITER-PRODUCER ERA MAY FADE: No season has seen so many writers elevated to producerships—but to date their overall record is not impressive. It includes only one hit—the holdover *Peter Gunn*, turned out by Blake Edwards. And a number of writer-producers have already left their series.

Our check of TV producers & executives found them thinking that TV went overboard in naming writers as producers this season. Said one top producer, an ex-writer: "Producing is a job in itself. Just recognizing a well-written script isn't enough—and that's all most writers know about production. They are ignorant of budgets, pre-production, locationing, post-production, cutting, dubbing, sound, and other important factors."

Whether coincidence or not, many of the record number of production-personnel reshufflings this season have been on series having producer-writers. These include *The Troubleshooters*, first produced by writer Allen Rivkin, who was replaced by Frank Rosenberg; *Goldie*, originally produced by writer Stanley Roberts, now produced by Marvin Marx—the show's 4th producer to date; *Laramie*, initially produced by writer Bob Pirosh, who was succeeded by John Champion; *Have Gun—Will Travel*, produced by writer Sam Rolfe, who was replaced by Ben Brady; *Man From Blackhawk*, now produced by writer Herb Meadow, but who is leaving, probably to be replaced by Matt Rapf.

On *Philip Marlowe*, writer Gene Wang has been named producer (the 4th this season) so it's too early to assay his contribution. The same is true of *Maverick* which is now produced by ex-writer & story ed. Coles Trapnell.

While there are critical raves for producer-writer Rod Serling's *Twilight Zone*, the ratings have not been impressive; and producer-writer Aaron Spelling's *Johnny Ringo* was clobbered by the critics.

Producer-writer series which have been fairly well received are *Hennesey*, *Laramie* and *Riverboat*. On the other hand critics & public alike took a dislike to *Hawaiian Eye*, of which writer Stanley Niss is the producer.

NEW YORK ROUNDUP

RCA color-TV tape recorder was shipped by plane last week to Nippon TV Network Corp., Tokyo. One of its first services will be in broadcasting color tapes of NBC-TV's *Perry Como Show*. An average of 2 hours of color is now being telecast nightly in the Tokyo area.

Biggest tape-spot campaign to date is claimed by NTA telestudios for a holiday-season commercial series produced for Pillsbury Mills and Leo Burnett agency, with which Telestudios now has a standardized tape-contract agreement. The commercials, using a Halloween cake-mix recipe, will be seen on 28 stations and 2 CBS-TV network shows. To complete the Pillsbury spot & network coverage, a total of 45 tape copies are being shipped.

ITC's *Four Just Men* has grossed \$878,450 to date, foreign sales dir. Abe Mandell reported last week. The 30-min. film adventure series had been sold in 15 foreign countries "within 7 weeks after its release for foreign sale," said Mandell, prior to departure for a 5-wk. sales tour of major South American TV cities.

Screen Gems has sold Regal Pale Beer its syndicated *Seven League Boots* for 8 western markets and *Behind Closed Doors* for 3 Cal. cities.

WABC-TV will "not give up" on its live, late-night *Everything Goes*, despite the critical panning it received following its Sept. 29 debut. Station v.p. & gen. mgr. Joe Stamler told the trade press in N.Y. Oct. 16 that "the show has received internal as well as external criticism and suggestions and will continue to experiment in format." Said Stamler: "After all, it took Jack Paar about a year to get off the ground."

Debbie Reynolds is the latest addition to ABC-TV's big-name special talent (Frank Sinatra, Bing Crosby). Signed by the network to star in 3 specials in 3 years, "the first probably next spring," Miss Reynolds also has agreed to appear as a guest on at least one other ABC-TV special, bearing out a prediction in our report on star specials last spring (Vol. 15:17, pp3 & 9).

Newest TV awards were presented by *Mad* at a dinner in N.Y. Oct. 22. Tongue-in-cheek prizes included the Sam Lev comic award (to comics Sam Levenson & Sam Levine), Vic Tanny physical culture award (Frank Sinatra & Maurice "Doberman" Gosfield), TV's cleanliness award (Lloyd Bridges of *Seahunt*), best-doorknob-grip-on-TV award (Loretta Young), best performance by foreign actor (Nikita Khrushchev).

Most profitable third quarter for WABC-TV N.Y. was registered this year, v.p. & gen. mgr. Joseph Stamler reported last week. The station's net profit increased 31% over the third quarter 1958, with sales up 22% during July-Sept. 1959 over the same period 1958.

Ted Cott, NTA v.p. for the firm's o&o stations and Storevision, will move from N.Y. to the Hollywood offices of NTA next spring . . . Millard Segal, Ziv TV international sales v.p., is currently on a sales swing around South & Central American TV markets . . . Ralph Baron appointed spot sales mgr. of ITC's Arrow Productions, rerun distribution div. . . . Kurt Leeds named controller for Herbert B. Leonard's production operations . . . Edwin J. Smith has resigned as v.p. & dir. of international operations, ABC Films. No successor has as yet been named.

HOLLYWOOD ROUNDUP

Hutton Productions, owned by Betty Hutton, is spending \$56,000 on each 30-min. segment of her comedy series, *Goldie*. Sponsor General Foods pays \$42,500 for the show, representing a sizable loss each week for the Hutton company. Time alone can tell if the gamble will pay off. If the show doesn't appeal to the public this pattern means a huge loss, not alone for this season, but for the future. Rerun values of a show which doesn't make it are weaker.

Roncom Productions, owned by Perry Como, plans two 13-wk. half-hour telefilm series as summer replacements for his NBC *Kraft Music Hall*. The company will also produce four 60-min. pilots. Alvin Cooperman, ex-June Allyson producer, is exec. producer of Roncom's film activities.

Robert Paul Smith's non-fiction bestseller, *Where Did You Go? Out, What Did You Do? Nothing*, is the basis of a series of the same name (!) to be produced by Stanley Roberts. He is now casting the comedy, and plans to offer a pilot next spring.

Revue Productions continuing its expansion program at the studio (the former Universal-International lot), is now constructing a new executive building . . . Sherman Productions, owned by Teddi (CQ) and Lynn Sherman, plan a Western series, *Jungle-Bob Jones*, Allen Rivkin producer.

George Stevens Jr. is developing a telefilm series, and is now negotiating for a property. His father, the producer-director, told us he & his son may engage in joint TV ventures under the aegis of the Stevens Co. The son would do the actual work inasmuch as Stevens Sr. is busy with movies "and TV is a young man's game."

Producer-writer Stanley Roberts is preparing a pilot, *Mr. Harkrider and Mr. Sweeney*, which will go into production at the Goldwyn studio in Nov. It's a comedy series, and Roberts is aiming it at the spring buying season. William Frawley and Gale Gordon will star.

Ziv's *Tombstone Territory*, which bowed out of ABC-TV Oct. 9, has already lined up 38 markets for its syndication debut. The same firm's *Cisco Kid*, which has been in syndication for 10 years, is debuting in color in Boston, Atlanta, Chicago and Washington. Most "Cisco" episodes were originally filmed on commercial Kodachrome (which the producer likes to call "Zivcolor") but printed in b&w.

Spartan Productions is planning 2 new series, the 60-min. Western, *Rango*, and a half-hour mystery, *Boston Terrier*. Blake Edwards, who created the properties, does not plan pilots, will seek to sell via presentations instead. . . . Sharpe-Lewis Productions is planning a 60-min. documentary musical series for 1960.

Associated British-Pathe Ltd. will release the movie version of Desilu's *The Untouchables* abroad. The show was a 2-parter on *Desilu Playhouse* last season.

GAC coast TV v.p. Jay Michaels has resigned to join MCA's TV dept. . . . Producer Herbert B. Leonard has named Kurt Leeds, ex-Briskin Productions, controller of his various enterprises . . . Famous Artists has named Thomas D. Tannenbaum head of its TV packaging on the Coast, and David Gerber head of TV in N.Y. . . . California Studios exec. producer Donald Hyde, stationed in London, is returning to Hollywood for production talks with company pres. Philip N. Krasne.

Trade Report . . .

OCTOBER 26, 1959

1959 TV SALES GUESSTIMATE—5.8 MILLION: Pre-Christmas TV sales are going to have to be little short of phenomenal to bring total 1959 retail sales up to the widely-predicted 6-million-set mark. That's becoming increasingly obvious as steel strike begins to show its economic effects.

So we'll hazard conservative guesstimate that this year's retail TV sales will total about 5.8 million units—or about 14% higher than last year's 5.1 million. In unit sales, this would make 1959 second-poorest year since 1951—but dollar-wise this won't necessarily be so, as all manufacturers report higher-end merchandise selling better than ever.

Set makers aren't complaining—sales are still running well ahead of last year. But sales for first half of 1959 were relatively slow, dragging full-year total down. It wasn't until June, in fact, that cumulative 1959 retail TV sales passed those of the same period of 1958.

Preliminary & unofficial 9-month retail TV sales figures show about 3,825,000 sets sold through Sept., compared with 3,468,000 in the same 1958 period. On basis of past performance, average of 67.2% of year's TV sales are made in first 9 months. This means sales through Sept. have been running at 5.7 million rate.

Sept. retail TV sales were really hot, judging from preliminary figures. About 700,000 sets were sold, best month by far this year. Sept. normally is 2nd only to Dec. in retail sales, and this year's figures compare with 605,638 sets sold in Sept. 1958. (Official EIA sales figures, due in about 2 weeks, probably will be somewhat lower than preliminary estimate, due to deduction of export sales.)

As steel strike's economic effects begin to be felt by more & more families, it's good guess that Oct. will see sales rate drop considerably below September's. Therefore, even if there's quick settlement of steel strike, there's not too much chance of total 1959 sales exceeding 5.8 million.

Set makers are beginning to express more concern about steel shortages. Most of them fear that these shortages will be felt in terms of component delivery stretchouts, perhaps in late Dec. or Jan.

No retail TV shortages are foreseen for rest of year. At all levels of trade, inventories total about 2.2 million—higher than last year's 2.1 million at the same time, but lower than 1956's 2.5 million. Today's inventories are considered healthy—especially in the sense that they provide some cushioning in case material shortages are felt earlier than anticipated.

After 1959, what? Set makers are more hesitant than usual to predict what next year will bring, particularly in view of possible component shortages due to steel strike's after-effects. The market research dept. of one manufacturer is tentatively basing its planning on conservative figure of 6.3 million set sales at retail. Barring unusual economic disturbances, 1960 must be bigger TV sales year than 1959, because there will be 5 to 6 million additional sets-in-use which can be considered of replacement age—not to mention additional new family-unit markets for first sets plus increasing desires for 2nd sets prompted by greater portability of sets designed as secondary units.

2-PIECE STEREO—A MINORITY REPORT: "We don't believe in single-unit stereo, and we're not handling any. Our stereo sales this year have been very good—completely up to expectations."

This statement comes not from the manager of a tiny audiophile hobby shop, but from the TV-radio supervisor of the world's largest consumer-goods retailer—A. T. Chameroy of Sears, Roebuck & Co. Sears' views & experiences are completely at variance with almost all other merchandisers & manufacturers of package hi fi. They've told us that multi-piece stereo is dead, single-unit cabinets making up about 90% of all stereo sales (Vol. 15:42 p17).

Chameroy & his associates hold pretty strong views on merits of 2-piece vs. single-unit stereo, and they feel that putting 2-piece stereo over is matter of merchandising. "Our salespeople explain what it is," Chameroy tells us, "and the customers buy it." He himself gave us Sears' explanation of why the big mail-order & retail house is sticking to multi-unit stereo:

"We have to be very careful with our customers, because they come to us for many of their needs. And we feel that in single-unit stereo the customer just doesn't get what he's looking for. Stereo means sep-

arate sound and our opinion is that you can't get real, true well-separated stereo from a single cabinet. The sound has to originate from at least 2 different sources." High acceptance of multi-piece stereo, he says, is result of training sales people to know what they're talking about.

Sears' stereo consoles—all multi-unit—range from \$149 to \$500. Like other makes, Sears' Silvertone is experiencing best sales in middle of line, around \$300. Manufacturers of Silvertone brand stereo hi fi include Warwick and Pacific Mercury.

As to TV sales, Chameroy agrees that it has been "very good year" so far. He says spot shortages due to effects of steel strike may take their toll in Dec. or Jan. Barring material shortages, he cautiously predicts 1960 industry-wide TV sales about 4% to 5% higher than this year, conceding that at this point it can be little more than a guess.

Transistor Sales Hit Peak: Factory sales of transistors during Aug. soared to a record monthly volume and carried the cumulative Jan.-Aug. total to 49,257,957 units valued at \$133,486,228—more units by far than were sold during all of 1958 (47,051,000 transistors valued at \$112,730,000).

The Aug. sales of 7,129,696 (\$18,054,138) were far ahead of Aug. 1958's 4,226,616 (\$9,975,935), up sharply from July's volume (Vol. 15:38 p21) of 6,030,265 (\$15,618,315), and nearly double the total transistors sold during calendar year 1955. Following are EIA's official unit & dollar figures:

	1959		1958	
	Units	Dollars	Units	Dollars
January	5,195,317	13,243,224	2,955,247	6,704,383
February	5,393,377	15,550,056	3,106,708	6,806,562
March	6,310,286	18,117,560	2,976,843	6,795,427
April	5,906,736	16,864,049	2,856,234	7,025,547
May	6,358,097	19,007,293	2,999,198	7,250,824
June	6,934,213	18,031,593	3,558,094	8,262,343
July	6,030,265	15,618,315	2,631,894	6,598,762
August	7,129,696	18,054,138	4,226,616	9,975,935
TOTAL	49,257,957	\$133,486,228	25,310,834	\$62,419,783

NARDA's 1960 convention is slated for Jan. 3-5 in Chicago, with sessions scheduled for the Merchandise Mart and the Conrad Hilton Hotel. The still-incomplete program of luncheon, clinic and panel speakers already includes such industry notables as Philco pres. James M. Skinner Jr.; Westinghouse pres. Mark Cresap; Zenith pres. Joseph S. Wright; General Motors' Dr. Carl C. Byers; George D. Roper Corp. v.p. E. Carl Sorby; GE v.p. Charles K. Rieger, who will be the keynote speaker at the opening session; and *Home Furnishings Daily* columnist Raymond Reed.

Tough TV camera tube for rigorous industrial & military applications was announced last week by RCA. The shock-&-vibration-resistant image orthicon (RCA-7198) will operate efficiently at temperatures as high as 71 degrees Centigrade, at relative humidities up to 95%, at altitudes up to 60,000 ft., reports industrial tube products mgr. C. E. Burnett. The tube's resolution capability is reported in excess of 600 TV lines.

Du Mont Labs' 485,000-sq. ft. East Paterson, N.J. plant has been sold to Curtiss-Wright Corp. for use by the aircraft maker's electronics div. Du Mont will consolidate its military research & development div. with its other operations in the main plant in Clifton, N.J. The East Paterson plant was built in 1942 by the Govt. for Curtiss-Wright and has been occupied by Du Mont since 1948.

Columbia Records has joined the Magnetic Recording Industry Assn., the 46-member association of manufacturers of pre-recorded tapes & tape recorders.

Capehart Corp. was approved as the new name for Dynamic Electronics-New York Inc. (Vol. 15:42 p19) at a special stockholders meeting last week.

Tri-city closed-circuit colorcast to herald National Color TV Month (Nov.) will be sponsored this week (27) by the Crosley Bestg. Corp. to apprise RCA dealers in Cincinnati, Columbus and Dayton of CBC's plans & investment in color programming & promotion. The 6:45 to 7:30 p.m. color program will originate at CBC's WLW-T Cincinnati, and will be relayed to studios of WLW-C Columbus, WLW-D Dayton. Scheduled to participate in the program are CBC pres. & gen. mgr. R. E. Dunville, NBC TV Sales v.p. Don Durgin, RCA TV v.p. James M. Toney, RCA color TV coordinator W. E. Boss, and exec. v.p. E. L. Foster of distributor Ohio Appliances. A Crosley spokesman told us that a similar program has been offered for Admiral dealers.

General Telephone & Electronics is acquiring full ownership of Lenkurt Electric Co., San Carlos, Cal. maker of carrier, telephone and other communication equipment. GT&E now owns about 31% of Lenkurt's stock, is acquiring the remainder from pres. Lennart G. Erickson and exec. v.p. Kurt E. Appert. GT&E v.p.-treas. John J. Douglas will become pres. of Lenkurt, which will operate as a subsidiary, Lenkurt v.p. George F. Koth will become v.p.-gen. mgr., and Erickson & Appert will be members of the Lenkurt board. Lenkurt's 1958 sales totaled more than \$28 million. The company employs more than 1,800 persons.

Ban on use of portable TVs & radios aboard commercial & private aircraft is being considered by a special committee of the Radio Technical Commission for Aeronautics. The prohibition, which would follow a similar rule for international aircraft, would be based on the potential interference caused by TVs & radios with aircraft electronic equipment. In a preliminary report, the committee said tests showed that hearing aids, portable recorders and dictating machines do not constitute a hazard.

Scope Electronics Corp., subsidiary of Symphonic Electronic Corp., N.Y. has acquired exclusive U.S. direct-to-dealer distributor rights to EMI home & professional hi-fi components. EMI, a div. of Electric & Musical Industries Ltd. of England, has a complete line including pre-amplifiers, amplifiers, 4-track tape recorders and AM-FM stereo tuners. Scope Electronics also will be the exclusive distributor of Dr. Dutton studio-monitoring speaker enclosures.

Sylvania has been awarded a \$15 million Army Signal Corps contract for development of specialized radar equipment. Pres. Robert E. Lewis described the radar as high-precision equipment which locates hostile artillery sites at long range and establishes a fix on their position. Required data is processed by high-speed computers.

Theater-screen advertising is being used by Zenith for the first time, with 7 color-film commercials keyed to the theme "quality goes in before the name goes on." Three of the films feature TV, 2 radio, 2 stereo.

Trade Personals: Carroll R. Miner, ex-GE, named chief engineer of Hoffman consumer products div., succeeding Charles A. Nichols, resigned (Vol. 15:41 p19) . . . Herbert L. Block named merchandise mgr., Zenith Radio Corp. of N.Y. . . . A. Henry Casey named Siegler Corp. dir of corporate PR & adv., to supervise a "major corporate identification effort" . . . Tom Parrish, ex-Universal Recording Corp., named special products div. audio programming dir., Conley Electronics Corp.

Jennings B. Dow, Hazeltine Corp. dir. & pres. of its electronics div., elected pres. of Hazeltine Research Corp., which is opening a new research & development center in Plainview, N.Y.; Dr. R. K. Hellmann, Hazeltine Electronics asst. v.p., named HRC operating v.p. & technical dir. . . . Jess E. Dines appointed to new post of industrial & military tube div. sales mgr., Thomas Electronics.

Richard C. Palmer, ex-Fairchild Engine & Airplane Corp., named Stromberg-Carlson v.p. & mgr. of the Washington office. Andrew H. Bergeson, who previously managed the Washington office, has resigned to establish a business investment firm . . . Jesse R. Lien named dir. of Sylvania's new electronic defense labs, which now include 2 new labs: systems engineering, Dr. B. A. Wambsgans, mgr., and equipment engineering, F. E. Butterfield, mgr.; Earle Eldredge promoted from projects dept. mgr. to asst. dir. for operations; A. H. Broly appointed to direct the new equipment fabrication facility.

S. George Lawson named to new post of operations mgr., Sylvania semiconductor div. . . . Dr. Diedrich W. Schwarz named pres., gen. mgr. & dir. of Controls Co. of America's subsidiary, Solid State Electronics Controls Inc. . . . George H. Ritter named plant mgr. of RCA's new transistor & rectifier manufacturing facility to be constructed in Mountaintop, Pa.

* * *

Frederick R. Lack, dir. of EIA's engineering dept., will be guest speaker at the opening-day luncheon of the 1959 electron-devices meeting of IRE's Professional Group on Electron Devices Oct. 29-30 at Washington's Shoreham Hotel. He will analyze the pitfalls of adapting new electronic devices to present markets. Among invited papers at the opening general session: "Tunnel Diodes," by R. N. Hall, GE research lab; "Competing Means of Achieving Low Noise," by H. Heffner, Stanford U.; "Functional Devices," by I. M. Ross, Bell Labs. Dr. Leo Esaki, Japanese inventor of the tunnel diode, will be a special luncheon guest.

Daystrom has teamed with Japan's Nichemen & Co. Ltd. to create Daystrom-Nichemen, KK., Far Eastern distributor for Weston instruments, Heathkit radio, phonograph & test equipment, other electronic products. Daystrom international div. v.p. William H. Westphal said his firm will have controlling interest in the new concern, which will be based in Osaka, Japan. The new distributor also will explore the feasibility of licensing Japanese manufacturers to produce Daystrom products.

Packard-Bell closed its 1959 fiscal year Sept. 30 with record 4th quarter sales—up 68.4% over the volume of the year-ago quarter. The Sept. volume soared 76.6% and topped a sales record set in 1952. July sales also set a new monthly record, up 64% from July 1958.

Obituary

Cyril Nathaniel Hoyler, 54, RCA Labs technical relations mgr. and widely known lecturer on electronic science, died Oct. 21 after an automobile accident in Saskatchewan, Canada. He is survived by his wife and three sons.

Finance

Record Sales for RCA: RCA's 9-month net profit was up 38% over the same period last year, while sales for both the 9-month period and the 3rd quarter set new records. The first 3 quarters' sales totaled \$978.2 million, up 17% over the comparable 1958 figure, the company announced last week. The consolidated income statement for RCA & subsidiaries for 9 months ended Sept. 30:

	1959	1958
Sales	\$978,200,000	\$834,800,000
Net profit	27,300,000	19,800,000
Earned per share	1.80	1.26
Shares outstanding	14,019,213	13,842,107
For 3 months ended Sept. 30:		
Sales	\$344,500,000	\$292,200,000
Net profit	7,900,000	6,300,000
Earned per share	51¢	40¢

Hoffman Electronics Corp. netted a 25% increase in profits for the 9 months ended Sept. 30, pres. H. Leslie Hoffman reported last week. He said all manufacturing divs. of the firm registered increased sales & earnings and the military order backlog of the labs div. now is 3 times that of a year ago. For the 9 months ended Sept. 30 (1958 figures adjusted to reflect 100% stock dividend):

	1959	1958
Sales	\$34,261,157	\$27,998,756
Net income	1,565,366	1,248,963
Earned per share	1.04	84¢
Shares outstanding	1,506,322	1,476,756

Siegler sales rose 11% in the first fiscal quarter ended Sept. 30, pushing earnings substantially ahead of those for the year-ago quarter, pres. John G. Brooks told the N.Y. Society of Security Analysts last week. A major factor in the firm's overall improvement was a 43.4% increase in sales of its Olympic TV sets—which compares, he said, with an industrywide increase of 14.7%. Brooks claimed that Siegler's Olympic div. now ranks 6th or 7th among the nation's TV set makers. For quarter ended Sept. 30:

	1959	1958
Sales	\$21,189,245	\$19,005,631
Net income	815,616	533,262
Earned per share	50¢	35¢
Shares outstanding	1,634,026	1,514,968

Raytheon earnings gained slightly on appreciably increased sales during the quarter ended Sept. 27. Total sales & earnings for the 9 months ended that date were up markedly over the year-ago period's levels. The 1959 totals include the performances of both Machlett Labs and Sorenson & Co. which were acquired by Raytheon this year. For the quarter ended Sept. 27:

	1959	1958
Sales	\$110,601,000	\$84,978,000
Net income	2,562,000	2,491,000
Earned per share	73¢	82¢
Shares outstanding	3,414,492	3,032,438
For 9 months ended Sept. 27:		
Sales	\$345,764,000	\$264,079,000
Net income	7,674,000	6,381,000
Earned per share	2.22	2.10

Allied Radio Corp., big mail-order, wholesale & retail electronic parts & hi-fi dealer, whose stock is now being offered to public, lists total assets of \$9,544,058, current assets of \$8,748,829 in prospectus issued by White, Weld & Co. Prospectus gives this statement of consolidated income for the year ended July 31:

	1959	1958
Net sales	\$29,682,110	\$27,070,464
Net income	1,151,741	833,947
Earned per share	1.15	83¢
Shares outstanding	1,000,000	1,000,000

Storer Bcstg. Co. reports earnings of \$3,580,268 (\$1.45 per share) for the nine months ended Sept. 30, up from \$264,782 (11¢) during the same 1958 period. The 1958 earnings were depressed by expenses incurred in discontinuance of WVUE Wilmington-Philadelphia. Total sales were not given, but Storer announced that TV station revenues for the 9 months increased by 8.9% over the comparable 1958 period, while radio revenues were up 11.6%. For 3rd-quarter 1959, net profit totaled \$865,719 compared with a loss of \$1,464,838 in the third quarter of 1958. The company said that WITI Milwaukee, acquired in Dec. 1958, was "making good progress and contributing substantially to earnings." The company's 4th-quarter prospects were termed "most favorable."

National Video Corp. has filed a registration statement with SEC covering 283,307 Class A shares for a proposed secondary offering. The shares will be offered by Bache & Co. for certain selling stockholders and none of the proceeds will accrue to the TV picture-tube maker. For the year ended May 31, National Video had a net income of \$1,018,996 on net sales of \$14,853,531, compared with the year-ago income of \$350,021 on \$11,697,930 sales. For the 3 months ended Aug. 31, the net income was \$180,967 on \$3,737,216 sales compared with the net income of \$139,437 on sales of \$3,157,643 during the year-ago first fiscal quarter.

Howard W. Sams & Co., which recently merged the Waldemar Press and Howard Co. (Vol. 15:35 p18), seeks SEC registration (File 2-15749) of 88,000 common-stock shares for public sale, 50,000 by the company and 38,000 by present holders. The underwriters are Indianapolis Bond & Share Corp., Walston & Co. Inc. and Kiser, Cohn & Shumaker Inc., terms to be supplied in an amended SEC statement. Net proceeds of the sale would be used for working capital needed because of sales expansion and for debt payments. The selling stockholders are Sams. chmn. Howard W. Sams (30,000 of 183,926 shares held) and v.p. Donald B. Shaw (8,000 of 20,156).

Acquisition by Emerson Radio & Phonograph Corp. of 25% interest in newly-formed Instrument Systems Corp. was announced last week by pres. Benjamin Abrams. Emerson will be represented by v.p.-controller A. A. Vogel on the board of the College Point, N.Y. producer of precision instruments. Instrument Systems Corp. is headed by chmn. Helmuth W. Waldorf & pres. Siegfried Suskind, will center activities in precision instrument, electro-mechanical and microwave fields.

Official Films, for year ended June 30, reports net loss of \$178,461 on gross income of \$857,964, compared with a net loss of \$180,095 in fiscal 1958. "Substantially all of this loss," pres. Harold L. Hackett told stockholders in the annual report, "was due to a special amortization, namely the write-down of contract rights to certain motion pictures." Company ended fiscal year with current assets of \$2,335,097, current liabilities of \$736,276, earned surplus of \$196,274.

Reports & comments available: RCA, study by Jesup & Lamont, 26 Broadway, N.Y. 4 . . . Paramount Pictures, review, Schweickhardt & Co., Hibernia Building, New Orleans 12 . . . Siegler, comments, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 . . . Philips Electronics, analysis, Evans & Co., 300 Park Ave., N.Y. 22 . . . International Telephone, comments, Fahnestock & Co., 65 Broadway, N.Y. 6 . . . General Tire & Rubber Co., report, Reynolds & Co., 120 Broadway, N.Y. 5 . . . Hickok Electrical Instrument Co., prospectus, Hayden, Miller & Co., Union Commerce Building, Cleveland 14.

New Electronics Giant: Consolidated Electronics Industries Corp., a new combine in the electronics, electrical, pharmaceutical, chemical & utility fields, with total assets of more than \$75 million & net current assets of more than \$33 million, was born Oct. 16 when stockholders of the constituent companies—mostly Philips firms in the U.S.—approved a merger (Vol. 15:15 p20, 15:30 p18).

Consolidated's combined sales & revenues are running at an annual rate of \$87 million. The merged firms are the former Consolidated Electronics, Philips Industries Inc. and Central Public Utility Corp. The shareholders of Philips Electronics Inc. approved the merger of their company with Anchor Serum Corp. and The Islands Gas & Electric Corp. to form Philips Electronics & Pharmaceutical Industries Corp., 67% of whose stock will be owned by Consolidated. Each share of the old Con Electron stock will be exchanged for 1¼ shares of the new; each share of Central Public will be exchanged for one of Con Electron.

Shares of Consolidated Electronic will be listed on the N.Y. Stock Exchange, Philips Electronics & Pharmaceutical on the American Exchange. Pieter van den Berg is pres. of the new parent firm; Arthur W. Haydon, John Bentia, Christopher H. Coughlin & John D. Stout Jr., v.p.'s; Edwin A. Diemand, asst. v.p.; Robert T. Dunn, treas.; Robert G. Dettmer, v.p.-secy.

Philips Electronics & Pharmaceutical will also be headed by Pieter van den Berg as chmn.; Arie Vernes will be pres.; Matthew M. Dorenbosch, Oliver H. Brewster, W. True Davis Jr., Christopher H. Coughlin & John D. Stout Jr., v.p.'s; Thomas J. Moore, treas.; Robert G. Dettmer, secy.; Johan T. Planje, asst. secy.; Robert T. Dunn & Jackson R. Holden, asst. treasurers. North American Philips Co. is unaffected by the merger.

Stock options on 350,000 shares of AB-PT common, offered at 95% of fair market value on date of granting, are subject to approval by stockholders at a special meeting Nov. 24 (Vol. 15:39, p19). Total amount of option has not yet been determined, but initial grants were made by directors Sept. 21 to the following: Leonard H. Goldenson, 50,000 shares; Edward L. Hyman, 2,500; Sidney M. Markley, 2,500; James G. Riddell, 3,000; Simon B. Siegel, 15,000—all directors. Proposed thus far to be granted to other key executives: Oliver E. Treyz, 15,000 shares; Thomas W. Moore, 8,000; William P. Mullen, 5,000; Frank L. Marx, 5,000. No determination has been made as to grants of the remaining 167,250 shares. The options granted on Sept. 21, 1959 were at \$24.94 per share, and the stock closed Oct. 23 at 31¾.

Electro-Voice Inc. net income for the 6 months ended Aug. 31 dropped to \$89,405 (19¢ a share) from the \$136,444 (34¢) tallied in the year-ago period.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Con Electronics (new)	—	\$0.25	Jan. 1	Nov. 30
Electronic Investment.	—	.03	Nov. 30	Nov. 2
Emerson	Stk.	3%	Dec. 15	Nov. 12
Gross Telecasting . . .	Q	.40	Nov. 10	Oct. 26
Gross Telecasting "B"	Q	.07 ½	Nov. 10	Oct. 26
Oak Mfg.	Q	.25	Dec. 15	Dec. 1
Thompson Ramo W . . .	Q	.35	Dec. 15	Nov. 30
TV-Electronics Fund .	SA	.15	Nov. 16	Oct. 30
TV-Electronics Fund .	Ex.	.15	Nov. 16	Oct. 30
Walt Disney Prod. . . .	Q	.10	Jan. 1	Dec. 3
Walt Disney Prod. . . .	Stk.	3%	Jan. 1	Dec. 3
Wometco "A"	Q	.17 ½	Dec. 15	Dec. 1
Wometco "B"	Q	.06 ½	Dec. 15	Dec. 1

Educational Television

CBS's BANDWIDTH REDUCTION: When the \$7-million airborne educational TV experiments get under way next fall (Vol. 15:42 p3), they will test new set of TV standards devised by CBS Labs which crams 2 channels in the space now occupied by one.

Although CBS Labs engineers say the system gives a picture almost as good as standard broadcast TV, they stress that it is being tested only as a special system for schoolroom TV. The system actually was developed some time ago by CBS Labs pres. Peter Goldmark and coordinator of research John M. Hollywood under a grant from Minnesota Mining & Mfg. Co. in connection with TV tape-recording research.

The CBS-developed system requires a 3-mc channel instead of the conventional 6-mc channel, and will be tested on uhf in the educational experiments. Here are the highlights, as described to us last week by Hollywood.

In terms of picture sharpness, the picture on the special receiver designed for the 3-mc standards is approximately equivalent to the conventional b&w picture with a 4-mc video bandwidth, although the width of the video channel is only 2.2 mc. In horizontal resolution, the experimental picture is equivalent to a broadcast-standard picture with bandwidth of about 3.3 mc—which is about as good a picture as the average viewer sees on the average set.

Instead of the standard 525-line, 60-field picture, the experimental system has 441 lines and 48 fields per sec. To eliminate flicker produced by the lower field rate, slow-decay phosphors are used on the picture tubes in receiving sets. A CBS-developed picture-sharpening technique gives a crisp appearance to the picture.

The classroom receivers built by CBS Labs for the tests will be somewhat more expensive than conventional sets because of the special picture tube used, the low production rate and the picture crispening circuit. Each participating school will have a master TV receiver which remodulates the uhf video & audio signals on standard vhf channels. Classroom receivers will pick up the resulting vhf signals by closed-circuit distribution system.

Flying Stations Project Progresses: A nationwide "talent hunt" for gifted teachers to star in its \$7-million project to upgrade & spread ETV instruction via flying TV stations (Vol. 15:42 pp3 & 12) was being pressed at week's end by fast-moving Midwest Council on Airborne TV Instruction.

Top MCATI officials were slated to meet with the nation's ETV station managers—attending the annual conference in N.Y. of National ETV & Radio Center (NET) last weekend—to seek their guidance & aid on a program to produce teacher talent for the ambitious project.

ETV stations will be asked to make film or tape "screen tests"—at MCATI expense—of their recommended local teachers to forward to the project's control center at Purdue U. for screening & judging.

These stations also will have a financial stake in the production of the project's courses. MCATI plans to contract with ETV stations for tape or film production of most of the courses required for the initial test year.

When the \$7-million experimental period ends in June 1961, MCATI anticipates that the program will be supported exclusively by local school boards, state legislatures, communities. MCATI has established temporary N.Y. HQ at Hotel Wellington, pending completion of permanent quarters at Canada House.

Auxiliary Services

SCRAMBLED TV FOR DOCTORS: Aided by pay-TV promoters, notably Zenith and Skiatron, the new 64-member Council on Medical TV of the Institute for Advancement of Medical Communications (33 E. 68th St., N.Y., Dr. Frank Garvin, exec. secy.), plans to apply to FCC for permission to experiment with scrambled telecasts designed to instruct physicians.

The council's projects dir., John MacKenzie, says the tests will be conducted in 3 areas, not yet disclosed, using either ETV or commercial stations. In each area, 100 doctors will be offered instructional material—which their receivers will be able to unscramble but which will be unintelligible to other viewers.

MacKenzie disclosed the project following a recent 2-day meeting of the Council at the National Institutes of Health, Bethesda, Md., during which there also was discussion of conventional & closed-circuit telecasts.

At the meeting, Zenith PR chief Ted Leitzell showed a film demonstrating how a scrambled system works, and Skiatron threw a cocktail-buffet party.

Members of the Council on Medical TV are: Irving Gitlin, CBS, N.Y.; Herbert Hahn, AB-PT, N.Y.; Scotty Mackenzie, NBC, N.Y.; James W. Armsey, Ford Foundation, N.Y.; Carl Berkley, Rockefeller Institute, N.Y.; Harold B. Gores, Educational Facilities Laboratory, N.Y.; Robert E. Green, Advisory Board on Education, Washington; Warren Kraetzer, National ETV Center, N.Y.; Kenneth D. Norberg, Sacramento State College, Sacramento; Jerry A. Schur, N.Y. Board of Education; J. L. Lahey, Dage TV, Michigan City, Ind.; Ted Leitzell, Zenith, Chicago; Vladimir K. Zworykin, RCA, Princeton, N.J.; Lt. Comdr. Edward W. Bird, National Naval Medical Center, Bethesda; Lewis R. Blair, Walter Reed Army Medical Center, Washington; Murray C. Brown, National Institutes of Health, Bethesda; Franklin C. Dunham, HEW Dept., Washington; Joseph H. Kanner, Army Pictorial Service Dept., Washington; Glenn L. Lemke, Brooks Air Force Base, Tex.; Joseph B. Nestor, USAF, Washington; Capt. Robert V. Schultz, Navy, Washington; Paul W. Schafer, Walter Reed Army Medical Center, Washington; Ken Thomas, Naval Special Devices Center, Port Washington, N.Y.; Benjamin B. Wells, Veterans Administration, Washington; Thomas Coleman, Assn. of American Medical Colleges, Evanston, Ill.; Robert L. Craig, N.Y. Academy of Medicine, N.Y.; Ralph Greer, American Medical Assn., Chicago; Alexander Marble, American College of Physicians, Boston; Charles E. Nyberg, American Academy of General Practice, Kansas City; H. Prather Saunders, American College of Surgeons, Chicago; Glen R. Shepherd, American Medical Assn., Chicago; Alfred Angrist, Yeshiva U., N.Y.; Charles S. Cameron, Hahnemann Medical College, Philadelphia; Bernard Dryer, Western Reserve School of Medicine, Cleveland; Seymour M. Farber, U. of Cal. Medical Center, San Francisco; L. A. Geddes, Baylor U. College of Medicine, Houston; Theodore S. Grant, U. of Cal. Medical Center, San Francisco; W. N. Hubbard Jr., U. of Mich. School of Medicine, Ann Arbor, Mich.; John Franklin Huber, Temple U. School of Medicine, Philadelphia; Richard D. Judge, U. of Mich. Hospital, Ann Arbor; R. A. Kolvoord, U. of Texas, Houston; Joseph E. Markee, Duke U. School of Medicine, Durham, N.C.; Raymond J. Nagle, N.Y.U. College of Dentistry, N.Y.; Paul Nemir Jr., U. of Pa. Graduate School of Medicine, Philadelphia; M. J. Oppenheimer, Temple U. School of Medicine, Philadelphia; Robert C. Patterson, Georgetown U. Medical Center, Washington; David S. Ruhe, U. of Kan. Medical Center, Kansas City; Marion B. Sulzberger, N.Y.U. Post-graduate Medical School, N.Y.; Frank M. Woolsey, Albany Medical College, Albany, N.Y.; Blake Cabot, *Medical News*, N.Y.; Felton Davis Jr., Eidophor Inc. (Ciba), N.Y.; Robert A. Reath, Smith, Kline & French, Philadelphia; Stephen W. Schwartz, Medical Radio-TV Institute, N.Y.; John Cosgrove, National Foundation, N.Y.; J. Edwin Foster, American Heart Assn., N.Y.; Harold A. Press, American Cancer Society, N.Y.; Vernon Bazilauskas, Verona, N.J.; Robert W. Foster, Synergist Productions, N.Y.; Leo L. Leveridge, Wayne, N.J.; Douglas D. Volland, Richmond, Cal.; Frank Z. Warren, N.Y.; Roger Wolf, WQED-TV, Pittsburgh; C. J. Simon, GE, Syracuse; Lynn Poole, Johns Hopkins U., Baltimore.

Constitutionality of a Utah statute which permits counties to levy a tax for booster or translator TV service is being challenged by 4 community-antenna systems in Carbon County. The protesting firms, which asked for an injunction in state court last week, also claim that adequate TV service is already being provided in the area and that the county's plan to install a tax-supported repeater system is therefore illegal. Seeking the injunction are Vetere TV, Price; East Carbon TV Co., Sunnyside; Helper Community TV Co., Helper, and Price Community TV System, Price. The latter 2 are non-profit firms.

TV teaching of surgical procedures has been introduced in Australian hospitals with the installation of a closed-circuit system at Royal Prince Alfred Hospital, Sydney.

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PAYOLA PROBES MAY BE NEXT TV headache after House probers run out of quiz sensations (p. 2). 1,001 quiz angles develop in a hectic week for the industry (p. 4).

WHAT THEY'RE SAYING about programming—pro & con (p. 5).

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NAB DIFFERS WITH DOERFER on Sec. 315 interpretation that new equal-time rules apply to disputants in public controversies as well as candidates (p. 7).

NEW TALL-TOWER KING is WGAN-TV Portland, Me., whose 1,619-ft. structure soars 9 ft. higher than that of previous record-holder KSWO-TV Roswell, N.M. (p. 8).

THE BIG PROBLEMS, AS SEEN BY STATIONS MGRS. in response to our questionnaire (p. 8).

LOW-LIGHT COLORCASTING looms as WLWT Cincinnati field-tests developmental GE image-orthicon (p. 9).

Manufacturing & Distribution

23-IN. SET PARADE joined by Zenith & Westinghouse, both using Corning twin-panel glass approach. Westinghouse's set due in 30 days, Zenith's after New Year (p. 17).

TV SET SALES heading in 2 directions: toward greater percentage of portables & table models, but toward higher priced units (p. 17).

TV PRICE BOOSTS are possible for early next year, either on spot or across-board basis, as result of rising component prices (p. 17).

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PASTORE'S WESTERN QUICKIE HEARING on small-town TV produces reiterated arguments from antagonists (p. 9).

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NETWORK STUDY BUILDUP continues at FCC, with staff aiming for ultimate showdown testimony of network executives (p. 10).

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SET MAKER PROFITS UP: Sales & earnings of TV-radio makers continue to show increases. Latest to report: Motorola, Philco, Admiral, Westinghouse, Magnavox (p. 21).

Other Departments

AUXILIARY SERVICES (p. 11). **PERSONALS** (p. 14). **FILM & TAPE** (p. 15). **ETV** (p. 24).

WHAT CAN HAPPEN NOW? Ignited by the quiz scandals, demands that "somebody do something" about TV are going to flare again & again from more & more powerful forces during this critical phase of TV's development. Let's step back and try to evaluate the prospects for remedies currently proposed:

(1) Censorship? Of course not. No explanation needed. Entirely counter to the American tradition.

(2) Industry self-discipline? Of course. It's under way, firmly. A "czar"—the "strong man" to lead & protect? Most unlikely. No industry sentiment for it.

(3) Govt.-subsidized network, as an example & competitor for commercial networks? Not a chance. Can you see Congress voting money for this? Outright grants to ETV stations are something else—probable, eventually. But Congress won't authorize federal operation of ETV network or stations.

(4) Direct regulation of networks by FCC, via new law? Likely—but not fundamentally significant. FCC has always been able to reach networks through their licensed o&o's. May be "untidy" administratively, but it works.

(5) Iron curtain between sponsors & programs? Let advertisers buy spots, not programs, as in Britain? Fair possibility—led by networks and backed by FCC & Congress with new rules or laws.

(6) Protect broadcasters from fraudulent outside TV producers? Yes. Congress will pass law to punish those who deliberately deceive.

(7) Stricter FCC regulations? Yes. This is the most important factor. It won't come from any new law. Existing laws are broad enough to permit Commission to take licenses away. But FCC won't go that far. It will ask more questions of licensees, call some on carpet, give them uncomfortable time. In short, the old "lifted eyebrow," control by pressure—by "threat," if you will.

Much depends on composition of the Commission. Its current leader, Chmn. Doerfer, and his majority are most reluctant big-stick wielders. Next year's Presidential election is crucial. If Republicans win, abrupt policy change is unlikely. If Democrats are in, great deal depends on new chairman. If Democrat Comr. Robert Bartley succeeds to chairmanship, and his chances are considered good, things will be tougher. If it isn't Bartley, things are bound to be at least somewhat tighter—regardless of who the chairman will be.

One more thing—Rep. Harris. This Democrat from Ark. has been a surprise. Unquestionably, he relishes the stir his subcommittee has created by breaking into the quiz situation and giving it a Washington dateline after it flared & died in N.Y. a year ago. But unquestionably, too, he has shown a restraint that many congressmen just don't have.

'PAYOLA' PROBES MAY BE NEXT TV HEADACHE: There's enough hot newspaper copy in mushrooming TV quiz scandal stories (see p. 4) to keep Congressional investigators happily busy—and the industry painfully apprehensive—far beyond this week's scheduled windup of Washington hearings.

And more trouble for harassed TV may come even after quiz sensations peter out. House Commerce Committee Chmn. Harris (D-Ark.) hasn't indicated where his legislative oversight subcommittee will turn next. But it's known that his staffers, under instructions not to talk about it, already are looking into another industry-embarrassing angle—music "payola."

FCC is doing some diligent research on its own, too, to see whether music publishers' practice of under-table payments for on-air performances violates Communications Act's Sec. 317. It's captioned "Announcement that Matter Is Paid For" and it requires broadcasters to disclose use of material "for which service, money, or any other valuable consideration is directly or indirectly paid."

"Payola" practice "has bloomed into big business for independent TV package producers," Variety reported last week. "The payoff is tremendous, running into millions of dollars annually, and makes the money involved in the rigging of TV quiz shows seem like peanuts by comparison."

"Quiz Show Scandal Unrolls Tin Pan Alley Crying Towel," said Billboard in headline over similar story. It told how ASCAP publishing houses have made mutually-profitable deals—now jeopardized by quiz exposes—with TV producers & music directors for music plugging in variation of oldtime disc-jockey pay-off custom carried over from radio.

TV packagers would be first in line of fire if Harris's hunters start drawing investigative beads on this form of hanky-panky on air, which is full of background music, fanfares & songs. But networks wouldn't escape blame for any musical sins of packagers—just as they aren't escaping responsibility for question-&-answer rigging of packaged quiz shows.

Headline buildup for Charles Van Doren as star Nov. 2 quiz witness before House overseers reached new type-size heights meanwhile. What he says—or doesn't say—in his delayed subpoenaed appearances about his \$129,000 success in 1956-57 on NBC-TV's Twenty-One (Vol. 15:43 p4) is sure to get sensation treatment. Van Doren was expected to insist that he be heard in private by subcommittee before taking public stand. Star billing this week also goes to the producers of CBS-TV's \$64,000 Question & \$64,000 Challenge. (Sponsor Revlon told us that nobody from the firm had been subpoenaed or invited.) And NBC-TV & CBS-TV executives have return engagements. CBS-TV pres. Louis G. Cowan, bedded at Columbia Presbyterian Medical center with a thrombosis of the left leg, was interviewed there by a subcommittee investigator. The Harris group, which had not yet heard whether Cowan would appear in Washington, sought a full report on his medical condition. Doubt that he would appear was expressed by CBS sources, who said they expected Cowan to be hospitalized for "at least 2 more weeks."

Oversighters were doing their best to heighten atmosphere of mystery & suspense over what's in store for public at hearings. All inquiries at subcommittee offices for names of cast of characters & other planned features of proceedings were turned away by staffers. Sounding like recording, they repeated set line: "Mr. Harris has left instructions that no members of the staff may discuss the plans of the subcommittee." Harris himself was back home in Ark., on barbecue-&-fence-building political rounds.

New entry in quiz act last week was Atty. Gen. William P. Rogers. Carrying out legislative "study" assignment given him by President Eisenhower (Vol. 15:43 p2), he called in CBS Inc. pres. Frank Stanton &

NBC pres. Robert E. Kintner for separate conferences on quiz problems. Also in huddles at Justice Dept. were deputy Atty. Gen. Lawrence Walsh and acting anti-trust chief Robert A. Bicks. Rogers will hold exploratory talks next with FCC & FTC to see what—if anything—Justice should do to help clear up quiz frauds, which President Eisenhower described as "terrible thing."

It was reported, too, that Internal Revenue Service had started to ask quiz questions. One IRS inquiry was said to involve \$10,000 paid by firm to one quiz staffer to arrange employe's appearance on program as promotion gimmick. IRS told us it tries not to miss "any revelation of an exchange of money," but wouldn't confirm or deny probe rumors.

STEEL SHORTAGE NIPS BILLINGS: Effect of steel strike on TV billings was being felt last week. Spot campaign in some 20 major areas for Chrysler's new Valiant compact car was cut back as of Nov. 7. Station reps were told Valiant would be back after steel hassle—but not before—despite determination of Chrysler to hit market hard before small-sized Chevrolets & Fords really get rolling in sales. Other cutbacks in spot campaigns for Chevrolet, Dodge, DeSoto are reported, largely on hiatus basis.

No major strike-caused network cutbacks have been reported to us so far. Big-budget sponsors like Plymouth, Ford, Chevrolet, and Pontiac on NBC-TV; Olds, Chevrolet & Dodge on ABC-TV, and Olds, U.S. Steel & Westinghouse on CBS-TV are hanging on grimly, hoping the steel situation will clear before they have to ask for in-season hiatus relief from networks.

Networks are understandably nervous over situation, particularly NBC-TV which practically cornered the market (over \$40 million in billings) in network TV auto business this season. Newspaper advertising has already been hit hard. Spot TV is being crimped. Only network TV and magazines are so far unscathed, but time was creeping up on these media last week. An early solution to the steel strike was the only answer.

SPOT PASSES NET TIME SPENDING: For the first time in history, advertisers spent more for spot-TV time than they did for network gross time in 2nd quarter of 1959, says TvB. The figures: \$158,904,000 for spot, as against \$152,861,000 for network. Trend was forecast earlier this year, when TvB announced in June that spot spending had pulled up to equal network, after edging toward it for several seasons.

This doesn't mean spot beats network in total spending by advertisers—spot production costs running, as they do, well below the costs for production of network shows.

WESTERN UNION INTO COAST-TO-COAST MICROWAVE: In one stroke, the Air Force has lofted Western Union into the transcontinental microwave business, heretofore AT&T's exclusive domain. But WU wouldn't say yet whether it'll be a competitor to AT&T in the TV or radio networking business.

WU put out brief announcement, and spokesman said it couldn't elaborate at this time because of agreement with Air Force. However, WU must file with FCC for the microwave authorizations, and its intentions should become known then. It may use system for its own commercial purposes, in addition to classified function for Air Force. Said Western Union:

"The new transcontinental leased wire system could provide, in addition to the Air Force broad-band data facilities, 2,000 telegraphic circuits simultaneously for Western Union's own expanding requirements. In addition to producing about \$5 million in annual revenues for the Air Force lease, the new beam system will provide Western Union with vastly augmented facilities for utilization in leasing other private wire & data processing systems, and for telegraph message, facsimile and other new company services."

Now that someone will foot the bill, it's assumed that WU will ask FCC to give it plenty of bandwidth, enough to carry TV. It's understood that Commission can make adequate space available. WU now has an Eastern microwave system linking major cities, but it goes only as far west as Chicago.

AT&T's coast-to-coast microwave system has slightly more than 100 towers, and it's expected WU's will be comparable. WU said towers will average 200 ft., about 25 miles apart. It wouldn't say how much it would cost, who would supply equipment, when it would file application or how long it would take to build.

WU drew attention last week on another front by announcing that it was offering a commercial facsimile service as of Dec. 1, linking Washington, N.Y., Chicago, Los Angeles & San Francisco.

ITT also got publicity last week when news leaks forced Post Office Dept. to acknowledge that ITT was conducting secret experiments under \$140,000 contract, looking toward mail transmission via facsimile.

Programming

1,001 QUIZ ANGLES: "This is the season," said an agencyman wearily to us last week, "when Madison Ave. should have stood in bed." Indeed, as Washington poised itself again to resume its quiz probe, management-level executives of networks, agencies & sponsors were confronted with another round of the type of developments that have made fall 1959 a clear winner for the title of "most nervous season." Everybody was getting into the act, and the air was filled with name-calling, feuds-in-the-open, sweeping suggestions for change, and packaged solutions to the crisis.

The most electrifying proposal was made Oct. 27 in N.Y. by Coty Inc. pres. Philip Cortney at a meeting of the usually-staid Sales Executives Club. Cortney, taking a haymaker swing at arch-competitor Revlon (which used to sponsor the two \$64,000 quiz packages on CBS-TV), called for an appearance before the House subcommittee of top executives of firms sponsoring rigged giveaways & quizzes. And, since sponsors benefited at the sales counter from commercials in such shows, he proposed that the "ill-gotten gains" of such sponsorship be given to charity.

Cortney's proposal was hardly likely to lower Madison Ave. blood pressures or the consumption of Miltown. Sales Execs. Club pres. Philip J. Kelly, who's a v.p. of Lynn Baker Agency, admitted that "efforts to cancel the luncheon program" had been made, and Cortney himself admitted that BBDO (now Coty's agency, but formerly Revlon's) had refused to place a print ad in which Cortney had made his suggestion, including a proposal that only "networks & stations be responsible for the . . . content" of TV.

Another proposal that networks assume the complete burden of program control with advertisers maintaining a hands-off policy was made in New York Oct. 28 by Rep. Chester Bowles (D-Conn.), who charged TV with "one-sided catering to an entertainment-hungry public" as well as "wholesale neglect" of its basic responsibilities. Urged ex-adman Bowles: "Complete disassociation of program & advertiser, with advertisers merely buying chunks of time as they buy chunks of newspaper space; an ending of TV's worship at the false altar of ratings; discontinuance of selling airtime to political candidates; recapturing the original meaning of the airwaves as public domain."

Quiz contestants continued to make their own set of headlines in N.Y. and elsewhere last week. Charles Van Doren and Hank Bloomgarden (who won a total of \$227,500 on defunct *Twenty-One*) were reported Oct. 29 to have admitted to N.Y. District Attorney Frank S. Hogan that they had received both questions & answers prior to appearances on the show. Van Doren, due to appear Nov. 2 before the House legislative oversight subcommittee, declined to elaborate, as did medical research consultant Bloomgarden who told the *N.Y. Times* to "go ahead & print what you want." At the same time, a new twist was given to the controversy surrounding ex-contestants by Richard Keith Clark, a 1958 winner of \$22,500 on *Tic Tac Dough*. In N.Y. Supreme Court, Keith filed a \$540,000 suit against NBC-TV, P&G, Barry-Enright and Howard Felsher, producer of the daytime-nighttime series. What Keith wanted was "a clean bill of health," he said, since "at no time" was he provided with answers and he "has been brought into public scorn, contempt and obloquy."

Within TV itself, arguments continued to echo. In London, Edward R. Murrow took sharp exception to CBS pres. Dr. Frank Stanton's quoted remarks (Vol. 15:43, p8)

that *Person to Person* had fed questions to guests in advance. He charged that Stanton's statement showed "ignorance" of production necessities on such interview shows. Stanton made no direct reply, but network publicity executives quickly stated that it wasn't a question of objecting to the production methods, but of labeling them clearly.

Stanton's housecleaning tactics, meanwhile, got a vote of confidence Oct. 27 at Pebble Beach, Cal., on the final day of a meeting of the CBS-TV affiliates board. As made public by William B. Quarton, newly elected bd. chmn. of the network's Affiliates Assn., and v.p. gen. mgr. of WMT-TV Cedar Rapids, a special resolution stated that "this board unanimously & without reservation endorses the action . . . in eliminating big-money TV contests from CBS-TV, in assuming full responsibility for content & quality of network programs, and in assuring the American public that what they hear & see on CBS programs will be exactly what it purports to be."

The nation's preoccupation with honesty stirred comments from non-entertainment fields: Sen. Neuberger (D-Ore.) put tongue in cheek & letter in the mail to CBS Inc. pres. Frank Stanton to suggest that his integrity code for comedy shows be applied to political programs. In Albany, Gov. Nelson A. Rockefeller told the 125th anniversary dinner of Emanuel Baptist Church that the quiz scandals are "tragic," have disillusioned millions. To AFL-CIO Committee on Political Education, the quizzes had a familiar odor, reminding it of "TV political productions which have emitted the same sort of stench."

* * *

The first post-quiz probe changes were going into effect at the network level last week. Admittedly, they were minor, but they bore the shape of things to come. On *Person to Person* (whose producers—see Vol. 15:42 p8—had already quit in a huff), program host Charles Collingwood began telling audiences that there had been pre-program sessions with guests concerning "what we will discuss, and in what order." On CBS-TV's *U.N. in Action* series, host Larry Le Sueur made it clear that UN personnel interviewed could request "the areas they will be called upon to discuss." On all 3 networks, video-taped shows were not subject to any uniform policy of labeling. Most just avoided the issue in introductions, we were told by program executives we queried. But, although few were self-identified as pre-recorded, none was being billed as "live from . . ." if the show was actually being unreeled from a tape spool.

Network nervousness over the quiz situation—which had made all 3 webs positively gun-shy of anything that looks like "fix"—was demonstrated by NBC-TV, which dropped present plans for a press junket to the West Coast (a practice deplored last week by *N.Y. Times* TV editor Jack Gould) in Jan., which would have provided some 80 TV editors with a week-long deluxe tour of NBC's Hollywood plant & film studios.

Agencies handling TV quiz billings for such clients as Congoleum-Nairn, Nabisco, Frigidaire, Borden's, Heinz, Lever Bros., Standard Brands, Miles Labs., Brillo, Ponds and Speidel were facing another kind of worry—cancellations. At stake in the 13 quiz, panel and giveaway shows still in existence on all 3 networks are TV billings variously estimated to be worth from \$65 million (*Variety*) to \$80 million (*Time*). Sponsor pressure is credited with being the real reason for NBC's move in scuttling *Tic Tac Dough*, and a severing of other dollar lifelines between advertisers & quiz shows was not unlikely. (Other shows dropped: CBS' *Big Payoff*, *Top Dollar*, *Name that Tune*.)

WHAT THEY'RE SAYING ABOUT PROGRAMMING

Strong Words From Lippmann

There has been an enormous conspiracy to deceive the public in order to sell profitable advertising to the sponsors. It involves not merely this individual or that, but the industry as a whole. This is the judgment of the leading professional critics of television on both the *N. Y. Herald Tribune* and *The N. Y. Times*. Mr. John Crosby has said that the "moral squalor of the quiz mess reaches clear through the whole industry." Mr. Jack Gould has said that the fraud could not have been carried out without "the constant involvement of representatives of networks, advertising agencies and sponsors." . . . While television is supposed to be "free," it has in fact become the creature, the servant, and indeed the prostitute, of merchandising . . . In seeking great mass audiences, the industry has decided from its experience that the taste of great masses is a low one, and that to succeed in the competition it must pander to this low taste. Quite evidently, this is an evil which cannot be remedied by a regulating commission or by some form of government or self-constituted censorship . . . The best line for us to take is, I am convinced, to devise a way by which one network can be run as a public service with its criterion not what will be most popular but what is good. No doubt, this network would not attract the largest mass audience. But if it enlisted the great talents available in the industry, but now throttled and frustrated, it might well attract an audience which made up in influence what it lacked in numbers. —*Walter Lippmann*.

Lone Ranger Outdraws Culture

The Arbitron report [indicates] the 3 network shows checked in as follows: Leonard Bernstein (CBS), 7.9; Chet Huntley (NBC), 4.0; The Lone Ranger (ABC), 10.8; and, mind you, *The Lone Ranger* was a repeat film! When a program of musical excellence & sound objective (that music is one inspired way to penetrate political curtains) is outrated by the 2nd-run adventures of a silly masked cowboy, then perhaps there is no justification for the critical gibes constantly hurled at the networks . . . The bulk of the viewing public, it's feared, LIKES to wallow in mediocrity.—*Marie Torre*.

From a Quiz Program's Sponsor

I don't know why quiz shows should be eliminated or even condemned in light of the recent hearings. If a politician takes a bribe, you certainly don't rule out all of politics and condemn it for being corrupt. There should be no need to eliminate this category of programming if advertisers, agencies, networks and packagers live up to their responsibilities. The problem here is to weed out those who are not.—*Max Banzhaf, ad. dir., Armstrong Cork Co., one of the sponsors of Top Dollar, to Printers' Ink*.

Don't Condemn All As Guilty

The networks should not remove all of their quiz shows from the schedule. If a fingernail hurts, it's nonsense to remove the whole thumb. Quizzes are a legitimate form of entertainment and there is no reason not to program them. TV is a young medium. The scandal represents a "slight phase of adolescent delinquency" and because of it TV will mature.—*C. Kholman, dept. ad. mgr. American Cyanamid*.

Doerfer Defends TV

I do not think that television programs to the lowest common denominator at all times . . . What people don't realize is that the television set has a voracious appetite, and that all of Shakespeare can be put on in less than two weeks, all of Shaw—perhaps the greatest playwrights in the history of this world could be produced in the matter of a few months. Now, there just isn't enough good talent available . . . I disagree [with the complaints of people who can't find on TV the high-class programs they want]. I think you'd be amazed if you could read a list of the high-class programming and public-service programming which has been put on by the networks. It's true that some people haven't seen it—they didn't have the time, they were preoccupied with other things, and that is why they feel that there has been a dearth. I will make this concession: The Commission is very much disturbed with the inability to solve the minority interests in programs—a minority which has a little different and higher taste. We don't know just how to reach that, how to satisfy that.—*FCC Chmn. J. C. Doerfer—in U. S. News & World Report*.

Who's to Blame?

Is the public to blame? The public, so greedy for something-for-nothing, was willing to take it vicariously. It built the quiz monster by watching. People usually get what they deserve. *Are the contestants to blame?* We particularly suspect the motives of that sanctimonious minister who was eager enough to accept pre-quiz questions while he was winning but frantically turned righteous when he couldn't find anyone to help him climb higher. It's likely all contestants compromised to some degree. *Are the producers to blame*—for blinding themselves to ethics even though they felt it necessary to survive in the jungle of competition? *Are the advertisers to blame*—for perpetrating an era of corner-cutting? *Are the networks to blame?* Theirs is the ultimate responsibility. *Is FTC chairman Kintner to blame?* The law did not stop him from getting an affidavit from the producer of "The Big Surprise." *Is FCC chairman Doerfer to blame?* The FCC can limit broadcast licenses to those who further "public interest, convenience and necessity." Is deception in the public interest? *Are Congressmen to blame*—those who own stock in broadcasting stations while weighing legislation affecting broadcasting . . . and help create "prevailing standards"? *Is society to blame*—for not vigorously defining the limits to which it will let the selling function go in competing successfully?—*Printers' Ink*.

End Divided Responsibility

Responsibility for what goes into millions of American homes via our most effective means of communication falls somewhere *between* the network and the advertising agency, somewhere *between* the agency and the sponsor, somewhere *between* the sponsor and the packager. To prevent recurrence of quiz scandals, to strengthen the efforts of many sincere men who are trying to improve programming, somebody's got to grab the reins. Television is too important to continue without firm authority—in someone's hands. We believe those hands should be the networks'—controlling everything on network air.—*TV Guide*.

NEWS SPECIALS INTO ORBIT: Prime-time news specials—one of the few program categories which has increased network audiences since last fall while bread-&-butter program groups slipped (Vol. 15:43, p9)—may play an important role in filling the program vacuum caused by axed quiz shows and mid-season casualties, several network program executives have told us lately.

Bearing out this theory last week was the premiere rating on the network's first regularly-scheduled, choice-time documentary series—*CBS Reports*. The Oct. 27 "Biography of a Missile," a 60-min. science-news show narrated by Edward R. Murrow, scooted neatly into rating orbit with a multi-city Arbitron figure (covering 7 major TV markets on an overnight basis) of 13.2 for the first half of the 10-11 p.m. show, and a 14.9 for the latter period.

The rating was no record-breaker, but CBS officials found it a real source of encouragement. The first portion of *CBS Reports* was in competition with the last half of NBC-TV's Ford-sponsored special, "The Secret World of Kids," which outdrew the CBS news special with a 25.7. The ABC rival, *Keep Talking*, was trounced with a 7.2, putting the CBS show about midway in ratings between the 2 network rivals, and showing a strong gain in audience in its second half.

Of considerable interest to CBS was a comparison between the *CBS Reports* rating and the usual rating of *The Garry Moore Show*, which it pre-empted. Usually, a news special lowers the rating of the time period when a pure-entertainment show is ousted. In this case, the previous week's rating for the Garry Moore package averaged a 13.5 in Arbitron measurements, while *CBS Reports'* premiere pulled an average for the 60-min. of over 14.0.

* * *

We had a chance recently to discuss the trend in news specials with some top executives connected with the *CBS Reports* series (a favorite project of CBS Inc. pres. Dr. Frank Stanton), and drew these reactions:

Charles H. Percy, pres., Bell & Howell Co. (co-sponsor of 6 specials in the series): "We've been a sponsor of such purely entertainment shows as *Ellery Queen*, *Wagon Train*, and the *Hitchcock Suspicion* series. We don't have a red-carpet budget with which to sponsor public service TV; it's got to sell cameras for us. But we're willing to pay a premium if necessary in terms of cost-per-1,000 to reach a higher-quality audience that will be a better consumer market for us. We're confident that we're better off with a serious TV framework for our advertising."

J. Ward Keener, pres., B. F. Goodrich Co. (co-sponsor with B&H of 6 news specials): "Goodrich was a pioneer TV program advertiser as far back as 1948 with Conrad Nagel's *Celebrity Time*. Our sponsorship in these news specials is a re-entry into TV. Actually we feel that we'll get a good rating with them. From our standpoint, they fit in with many of the space-age projects in which our company is involved and which are important to us in terms of world-wide public opinion."

James Aubrey, exec. v.p., CBS-TV (currently pinching for ailing network pres. Lou Cowan as the network's top executive): "We're aware that shows of this type may have a lower rating than pure-entertainment packages, but for many sponsors they'll deliver a higher-quality audience than, say, *77 Sunset Strip*. I think information shows will make a real dent in the near future. They give advertisers & affiliates alike a real standing in the community."

Commercial-free, listener-supported "cultural" FM station, on Ch. 216, in Washington, D.C., has been applied for by Lorenzo Milam of Berkeley, Cal. The non-commercial, educational station, to appeal to "off-beat cultural interests" with such fare as Restoration comedy, political seminars and lectures on Kabuki dance, would be supported by listener contributions of \$15 yearly. Milam has rented tower space from WWDC-FM Washington, and plans to operate with 19.3 kw. He got his idea from listener-supported KPFA San Francisco, "which has 7,000 subscribers and has done very well," he says. Estimated initial investment is \$20,000 and yearly operating costs \$25,000. The Pacifica Foundation, operator of KPFA, also will apply for a Washington educational FM. Milam's proposed station is incorporated as Paduan Foundation, 805 G St.

New TV-press survey to see how the mass media measure up as "instruments of education" will be undertaken by the Fund for the Republic's Center for the Study of Democratic Institutions, Santa Barbara, under a \$25,000 grant by ex-Sen. William Benton (D-Conn.). The study will be headed by Pulitzer Prize-winning Harry S. Ashmore, ex-exec. editor of the *Arkansas Gazette*. Benton recently urged pay-TV operations by non-commercial stations to lift "the level of mass communications—and of political literacy" (Vol. 15:40 p20).

New Person to Person producer, replacing co-producers John A. Aaron & Jesse Zousmer, will be Allan Neuman, ex-NBC-TV staff producer who has worked on *Wide World*, NBC Opera, and location-taped specials for Coca-Cola. Neuman will leave shortly for London, where he'll supervise foreign taping (using ATV facilities) of P-to-P interviews in Britain, and later in Italy & Spain.

Dept. of Correction: We gave credit where it wasn't due in our recent listing of network nighttime program series sold by Music Corp. of America (Vol. 15:42, p8). "I would like to advise you that MCA has nothing whatsoever to do with *The Rebel* and that Goodson-Todman, alone, sold [it] along with *Philip Marlowe*," G-T v.p. Harris L. Katleman wrote last week adding, "We have never used agents to sell any of our shows."

Discussions of contemporary writing are being aired by WJZ-TV Baltimore via *Comparative Literature*, a 27-wk. series of twice-weekly 30-min. programs produced & taped by WBC's WBZ-TV Boston, in cooperation with Boston U. The program's originator & host is Dr. Floyd Zulli Jr. N.Y.U. associate prof. & visiting lecturer at Boston U. The books slated for discussion range from Ibsen's *A Doll's House* to O'Neill's *The Hairy Ape*.

Highlights of U.S. exhibition in Moscow is not planned as a spring special, we were told by NBC-TV last week. The network had color tapes, recorded by Ampex in Moscow, but shipped them back to Ampex last week. Until recently film prints of the Khrushchev-Nixon exchange were being exhibited at the RCA exhibit hall in N.Y.

National Probation & Parole Assn. has appointed Maryland U. sociology prof. Dr. Peter Lejins research dir. for a study on the impact of TV & motion pictures on young people. The project will terminate with a conference of experts Feb. 1960. Lejins is v.p. of the Health & Welfare Council of the National Capital Area.

TV viewers will be polled (by ballot in *TV Guide*) on the best TV performers & programs of the 1959-60 season; results to be announced on the Mar. 25 Chrysler-sponsored, "TV Guide Award Show" over NBC-TV.

A schedule of Spanish-speaking feature motion-pictures has been launched by KEYT Santa Barbara.

Stations

NAB DIFFERS WITH DOERFER: It isn't true—despite FCC Chmn. Doerfer's interpretation of the new political broadcast rules written by Congress—that amended Sec. 315 of the Communications Act requires TV & radio stations to provide equal time for disputants in public controversies as well as for candidates themselves, NAB counsel Douglas Anello said last week.

In an address to the Minn. Bcstrs. Assn. in Minneapolis, Anello took sharp issue with Doerfer, who had warned the Radio-TV News Directors Assn. in New Orleans 2 weeks earlier that the Sec. 315 amendments impose "new & additional burdens upon the broadcaster" by making issues—along with political speeches—subject to equal-time demands (Vol. 15:42 p5). Professing himself to be "a little disturbed" by Doerfer's RTNDA statements, Anello said he "must respectfully disagree" that either the language of revised Sec. 315 or the legislative intent of Congress mean any such thing.

"Sec. 315 never was, and is not now, directed at insuring equality of treatment of political parties on general questions of public interest," NAB's legal chief said. "Equality applies to candidates alone. This is still unchanged.

"The controversial issues doctrine never required a station to permit its facilities to be used 'whenever a prior candidate has raised an issue of public importance upon which there may be conflicting views,' [as Doerfer had put it]. This, too, in my humble judgement, remains unchanged, for if the proviso in Sec. 315 means anything, it sustains the time-honored distinctions between the equality one must give the candidates themselves and the reasonable opportunity that must be afforded for the discussion of conflicting views. Any other interpretation would be in conflict with its plain language."

At the same time, Anello told the Minn. Bcstrs. to be wary in their handling of political issues "as the Commission builds up what I am afraid will be a rather extensive body of case law" on the new Sec. 315. "Any attempts to be devious can become a *cause celebre*," he said. "We are in the limelight and we will be watched closely."

Stations shortchange their merchandising functions with "insufficient budgets & inept personnel," Emil Mogul will tell the Broadcast Promotion Assn. Nov. 2 in Phila. "Without a strong, resultful merchandising program, to backstop the advertiser's campaign, the station of the future may well be considered a total marketing loss," according to Mogul. He will suggest that stations separate the merchandising & promotion functions, and hire trained merchandising personnel with marketing experience. "A consistent merchandising policy can help a station reduce account turnover, thus cutting its overhead & paper work," Mogul will say. Also on BPA's guest list is TIO dir. Lou Hausman, who'll argue for "a sense of proportion in evaluating the TV industry's contributions," despite the clouding of the industry's image by the current quiz investigations. Other speakers on BPA's agenda are: Max Buck, station mgr., WRCA-TV N.Y.; R. C. (Jake) Embry, station mgr., WITH Baltimore; Henry J. Kaufman, pres., Henry J. Kaufman Associates, Washington; R. David Kimble, account exec., Grey Adv.; H. Preston Peters, pres., Peters, Griffin, Woodward; C. Wrede Petersmeyer, pres., Corinthian Bestg. Co.; James T. Quirk, publisher *TV Guide*; Frank Shakespeare, gen. mgr., WCBS-TV; Adam J. Young.

Self-control vs. Controls: Broadcasters must govern themselves more effectively or face the prospect of having the Govt. do it for them, TV Code Review Board member Gaines Kelley told NAB's fall conference in Atlanta last week. Addressing the TV session of the conference, the gen. mgr. of WFMY-TV Greensboro, N.C. said stern govern-or-be-governed remedies are called for now to stop a spread of "a deteriorating [public] image of the industry."

TV quiz show scandals (see pp. 1 & 4) have "catapulted every individual TV station into the limelight," Kelley pointed out, "although the individual stations were not to blame, the dirt rubs off. And it makes little difference . . . the purpose or extent of the deception."

Kelley pleaded for stricter adherence to TV Code standards by stations as one "way out of this dilemma." They're "our only defense against outside regulation," he said. "These standards of good practice are the means by which we can effectively govern ourselves. For we must govern ourselves, or be governed."

Similar pleas for tighter industry self-controls, continuing a conference theme set at initial Washington sessions (Vol. 15:42), were made by NAB pres. Harold E. Fellows. "A few years, perhaps even a few months from now, the so-called quiz scandal will represent a vaguely-remembered incident—a tawdry one, indeed—in the history of the development of this great & dynamic new medium," Fellows said. But Fellows warned that meanwhile the industry faces threats of "ill-begotten legislation" to correct program evils which should be eliminated by "self-regulatory processes of our own standards of good practice."

Station sales approved last week: Complete control of WBIR-TV (Ch. 10) & WBIR Knoxville, Tenn. to the Taft Bestg. Co. for \$2,100,000 (Vol. 15:41 p9); purchase of KROD-TV (Ch. 4) & KROD El Paso for \$3,450,000 by owners of KVII (Ch. 7) Amarillo and KOSA-TV (Ch. 7) Odessa (Vol. 15:36 p6); transfer of control of KMSP-TV (Ch. 9) Minneapolis-St. Paul from NTA to 20 Century-Fox TV for \$3,500,000 (Vol. 15:34 p7).

Devoted to uses of Videotape recorders, new external house-organ *Ampex Head Lines* has made its debut with an 8-page issue featuring a list of Ampex installations, stories on how stations are using their recorders, listings of syndicated tape program, etc. The monthly newsletter, edited by PR director Ellis Walker & Marilyn Locke, is available free from Ampex Corp., professional products div., 934 Charter St., Redwood City, Cal.

Facility changes: KOLO-TV (Ch. 8) Reno boosted power to 77 kw Oct. 22, using directional antenna giving 166-kw max. N-S. WOOD-TV (Ch. 8) Grand Rapids, Mich. has begun construction of new 1000-ft. tower at Middleville, which is expected to provide "city grade" signals in Lansing, Kalamazoo & Battle Creek.

KHTV (Ch. 27) Portland, Ore. was to go dark Nov. 1 after filing a bankruptcy petition, the station informed the FCC last week. It said it would be off the air temporarily pending reorganization.

RCA TV-tape recorder shipments last week: color units to WBAP-TV Fort Worth and KSTP-TV St. Paul, 2 color units to NBC-TV, New York; monochrome units to KPHO-TV Phoenix and KWTW Oklahoma City.

Ampex Videotape recorder has been put into operation by KFDM-TV Beaumont, Tex.

WTTG Washington last week announced the purchase of 2nd Ampex TV tape recorder one year after first order.

THE BIG PROBLEMS: Even before the quiz-rigging headlines hit the industry, a segment of station management was seriously concerned about television's "image," Congressional needling, critics' carping. That's obvious from the fact that the TV Information Office (TIO) was created. It's also evident from a study of responses to our questionnaire directed to station managers. It covered a variety of trends, was completed just before quiz disclosures (Vol. 15:38 p2).

"What do you consider to be the industry's major problem currently?" was the last question we asked. Of 175 who returned questionnaires, only 70 answered it in those relatively tranquil days. Of the 70, 20 were particularly concerned about relationships with public & Congress. There were complaints of Congressional interference, demands for improved programming and greater station-network control of programs & commercials, fears of govt. encroachment—coupled with calls for greater support of NAB and other industry groups.

Allocations problems bothered the next largest group, 14—half vhf, half uhf. The uhfs want vhf mileage cuts, new vhf channels or deintermixture, while some vhfs fear that those changes may come. Interestingly, a few vhfs urged that more vhf competition be created.

Impact of CATV systems bothered 9 respondents. All want CATV curbed in one way or another—no microwaves, no duplication of stations' programs, etc.

Seven were worked up about rate cutting. There was more vehemence in this category than any other. Six were exasperated with ratings, terming them obsolete, unrealistic and excessively emphasized. Five were disturbed by operating costs. Balance was well scattered: shift of spot advertisers to network, personnel problems, network commercial practices, film costs, etc.

Chandler Buys Loew's KTTV Interest: The Los Angeles Times-Mirror Co. last week bought back from Loew's Inc. its 25% interest in the newspaper-owned L.A. station, KTTV, for a figure in excess of the \$1,625,000 that Loew's paid for the stock in 1956. The purchaser declined to give the exact figure paid Loew's for its 3,334 shares of the capital stock of KTTV Inc. By this action the Times-Mirror Co. again holds 100% ownership of the station. Said pres. Norman Chandler: "The Times-Mirror Co. is looking forward to the execution of a program of diversification & expansion. It is likely that this program will include expansion in broadcasting & related fields."

At the time the Times-Mirror Co. sold 25% of KTTV to Loew's Inc., it paid an estimated \$4 million to the film company for a 7-year license deal on Metro's pre-1948 movie backlog. The film licensing deal has 4 years to run.

Record business by NBC Chicago during 1959's first 9 months and a continuing volume which portends new yearly highs for both WNBQ & WMAQ were reported last week by NBC v.p. Lloyd E. Yoder. TV spot & local sales climbed 32% over the year-ago business, established monthly records in 5 of the 9 months, and jumped 45% in Sept. over Sept. 1958 to set a new station monthly record. However, Oct. sales will top those of Sept. WMAQ's 9-month sales were 37% ahead of those for 1958's first 3 quarters.

Business-promoting WBBM-TV Chicago will jet 110 N.Y. ad agency time-buyers to its home grounds next week (10) for a 2-day on-the-scene appraisal of its facilities, local programming, and staff.

NEW TALL-TOWER KING: Latest claimant to the tallest-TV-tower title is WGAN-TV Portland, Me., whose recently-completed 1,619-ft. structure 21 miles away at Brown Hill in Raymond rises 9 ft. above the tower record of the previous holder, KSWs-TV Roswell, N.M.

In the offing, however, are new contenders for the tallest-man-made structure-on-earth distinction: Moscow, which proposes a 1,625-ft. giant, and KFVS-TV Cape Girardeau, Mo., which plans a 1,677-ft. champion (Vol. 15:27 p4). The new Portland station tower, built by Kline Iron & Steel Co., Columbia, S.C., in one year at a cost of about \$250,000, will increase coverage to include "70% of the state's TV homes and many additional homes in Vt. & N.H.," according to WGAN-TV officials. It was installed ahead of schedule—and without accidents or injuries.

Retired FCC Commissioner & engineer George Sterling, who lives on Peak's Island near Portland, took time out from his lobstering to aid WGAN-TV management as a consultant. He's tickled with the results, says: "The signal is beautiful. It's filling in areas where it's never been seen."

An elevator in the center of the WGAN-TV structure rises to within 40 ft. of the top. Other details: It's anchored 1,200 ft. from the base (1,160 tons of concrete) on a 100-acre plot. The tower is designed to withstand a 150-mi. wind, and its deflection at that velocity would be 6 ft. 6 in. It has an RCA traveling wave antenna and 1,500 ft. of 6½ in. transmission cable. Equipment tests were carried out Oct. 28 & 29. Program tests began Oct. 30.

Meanwhile, the 1,677-ft. tower for KFVS-TV is being fabricated by Dresser-Ideco. The target date for completion of erection is late spring or early summer, 1960.

(For a roundup of tall towers—existing & proposed—see Vol. 15:21 p3.)

NAB's engineering conference committee has set a limit of about 20 technical papers to be presented during the 38th annual NAB convention next April 3-7 in Chicago. Meeting in Washington, the committee headed by Warren Braun of WSWA-TV & WSWA Harrisonburg, Va. began riffing through more than 100 proposals by scientists & engineers for papers to be included on the engineering conference agenda. The committee voted that selection would be "solely on the basis of scientific interest."

"What Every Station Manager Should Know" might well be another title of the new *Storer Operating Manual*, a 200-page copyrighted document edited by John E. McCoy, v.p.-secy., Storer Bcstg. Co. It covers such subjects as FCC rules, NAB codes, taxes, Storer programming & commercial do's & don't's, state laws on hiring & firing, record-keeping-&-reporting practices. It's said to be the most complete guide for station management yet compiled. McCoy is an ex-FCC attorney who headed TV & FM legal divs.

Sisters of Charity of Cincinnati have withdrawn their recent application for FM Ch. 300 in Pittsburgh. According to Washington attorney Frieda B. Henneck, a former FCC member, the religious order stated that the withdrawal was for technical reasons—the specified site wouldn't cover the area adequately, and an alternate site would require the construction of an expensive tower.

Stereo broadcasting was initiated by radio WRCA N.Y. recently as a regular Mon. midnight-to-6 a.m. feature of its nightly *All Night in N.Y.* record music show. The stereo broadcasts use the Bell Labs' time-delay system (Vol. 15:9 p3). The 6-hour show is N.Y.'s longest continuous stereocast.

LOW-LIGHT COLORCASTING: Crosley Bcstg. Corp. pres. R. E. Dunville claimed another first for WLWT Cincinnati last week by announcing plans for the first live colorcasts of night sports. Already scheduled: some 10 Redleg 1960 baseball games, direct from Crosley Field—under the normal field lighting conditions. Plans are also afoot to color-televisе basketball and other auditorium sports this winter.

Behind the programming "first" is a down-played engineering advance which holds promise of greater economy, simplicity and flexibility in both studio & remote colorcasts. The advance: A GE-developed low-light-level image-orthicon tube, originally developed for military applications, now modified for experimental commercial use.

WLWT chief engineer Howard Lepple told us the experimental tube (Type Z-5351) produces acceptable color pictures with only 40 ft.-candles of light, compared with the 400-500 ft.-candles required by standard orthicons. At that level, colorcasts can now be studio-originated under normal b&w lighting conditions; can be originated direct from sports arenas & light-equipped ball parks without additional or special lighting required.

Crosley, Lepple told us, is field-testing the low-light orthicon for GE. The first test was conducted Sept. 25 at Crosley Field with good results. The field's lighting system produces 50-100-ft. candles. Currently, WLWT is conducting side-by-side on-air tests of the new tube with standard orthicons to study its characteristics, operating patterns. The station has one low-light equipped camera, 3 tubes on hand. Dimensionally, the GE tube has the same physical measurements as standard types, fits in the same socket without modification.

The low-light tube's great sensitivity, he said, necessitates the use of filters in the on-air tests. Lepple said that the increased sensitivity results mainly from newly developed target material, extremely fragile & thin.

Dunville hailed the development as "the greatest single step since the advent of color. This latest development by our engineers, and those of GE, enables us to bring not only the day games but the night games to the public, along with other indoor sports such as basketball, hockey, etc. that heretofore could not be televised in color because of inadequate lighting. In fact, any sporting event under lights, or news events heretofore not permissible in color, can now be colorcast."

Announcement of the experimental tube was made with the inauguration of National Color TV Month (Nov. 1-30). WLWT now originates 19 hours of local color programming weekly, transmitting more than 40 hours in color, including NBC-TV network programs.

Congress

CARROLL TRIES AGAIN: Salvage operations on torpedoed legislation that would ban all off-the-record "influence" approaches to members of FCC & other govt. regulatory agencies (including backdoor contacts by members of Congress) will be started Nov. 19 by Sen. Carroll (D-Colo.).

"The task is not glamorous but necessary," Carroll said, in announcing that his Senate Judiciary administrative practice & procedure subcommittee will hold Nov. 19-20 hearings on their ex parte problems for 6 agencies, including FCC and Interior & Agriculture Depts.

It was the first time the subcommittee had been heard

from since July, when Senate minority leader Dirksen (R-Ill.), a member of the new unit, effectively sabotaged its initial hearings on anti-"influence" proposals by openly opposing them. Dirksen said that as long as he's in Congress he'd continue to intercede with agencies for his constituents—on the record or off (Vol. 15:30 pp2&4). Note: Dirksen has since been ordered by his doctors to take a rest and is not expected to return to Washington for the Nov. 19-20 sessions.

Carroll asked FCC Chmn. Doerfer to be a witness on 2 American Bar Assn. bills: S-2374, providing criminal penalties for "any person" who tries off-the-record pressures on agencies in adversary cases; and S-600, establishing an Office of Federal Administrative Practice. But Doerfer said he had previous commitments for the dates, and another FCC member probably will take the stand. Also to be heard from, in addition to Interior & Agriculture lawyers, are spokesmen for FTC, ICC, CAB, SEC & FPC.

Additional hearings on the measures are planned by Carroll before the 2nd session of the 86th Congress opens in Jan. He said: "There is a general feeling of a lack of public confidence in the operation of the administrative agencies and we in Congress have the legislative responsibility to restore public confidence in the agencies of the Govt. and their conduct of public business."

Pastore's Western Quickie: "More of the same" was produced by the on-the-spot hearings, conducted in the West last week by Sen. Pastore (D-R.I.), chmn. of Senate Commerce subcommittee, as he sought to determine the impact of boosters & CATV on small town TV stations.

In one-day stands, he held court Oct. 27-30 in Helena, Mont., Idaho Falls, Ida., Salt Lake City & Denver. There was a long parade of witnesses—station, CATV & booster operators, senators & congressmen, and some man-in-the-living-room viewers. The last group did provide an additional factor for the record—nothing surprising—namely, that everyone wants to keep the service he has & get more if he can. In Helena, for example, viewers made it quite clear that they were unhappy about the loss of Ch. 2 & 6 signals from Spokane. These have been unavailable ever since FCC ordered the Spokane-to-Helena microwave to quit transmitting, pending litigation in the courts.

Station operators again called for controls to minimize the competitive effect of CATV systems. Booster operators did the same, stating that they would lose their signal sources if stations folded. CATV operators termed pending CATV-control legislation unfair and impractical.

The major new idea was scheduled to be offered on the last day, by Bill Daniels, Wyo. CATV operator, speaking for the National Community TV Assn. He proposed that an *ad hoc* committee, under FCC supervision, be formed by the disputants—broadcasters, CATV operators and "other interested parties." Its assignment would be to come up with recommendations to the Commission for a resolution of the conflict. Daniels said that CATV operators were prepared to abide by the conclusions of such a group. CATV legislation is not the answer, he said. He asked that the *ad hoc* group be given a specific deadline, asserting that NCTA wasn't making the proposal in an effort to stave off legislation.

Daniels said that there are 43 communities which have both stations & CATV; 32 CATV's carry local signals.

Pastore was assisted by committee communications counsel Nicholas Zapple, while Western senators & congressmen sat in from time to time. FCC broadcast bureau chief Harold Cowgill attended as an observer.

The FCC

NETWORK STUDY BUILDUP: Working quietly but thoroughly, FCC's network study staff (which currently comprises only 2 attorneys—Ashbrook Bryant and James Tierney) is building up to the big finale: full scale public testimony on programming by networks' top executives.

This is the thing that FCC constantly refers to when queried by Rep. Harris' investigating committee about what it's doing regarding quizzes & the like (Vol. 15:43 p1).

When this finale will come, Bryant & Tierney won't conjecture. First, they have another aspect of programming to examine—Hollywood TV-film producers. They were to leave last weekend for the West Coast, to spend a week or 2 with a cross-section of producers, preparatory to a hearing in Hollywood or Washington at a later date.

After the big, final hearing with network executives, the FCC's record on network programming presumably will be complete. Then the Commission staff will have the job of coming up with a report to the Commissioners. The last such staff study, covering network practices other than programming, resulted in a recommendation of major changes: elimination of option time and must buy, removal of networks from the spot rep business, etc. The Commission is still in the process of accepting & rejecting the recommendations.

First Sec. 315 complaint since passage of the new law was filed with FCC last week by Philadelphia mayoralty candidate Joseph A. Schafer, who complained that CBS's WCAU-TV refused him equal time with his opponents on *Eye On Philadelphia*, a news-interview program. CBS-TV v.p. & general attorney Thomas K. Fisher, who confirmed that the complaint had been filed, told us that Schafer was a write-in candidate who had been defeated in the Republican primaries. WCAU-TV turned down his request for equal time on the news show on the simple grounds that write-in candidate Schafer was not news, Fisher said. Schafer is not news to FCC either, having appeared as a witness (Vol. 15:26 p4) at the recent hearings.

Proposed shift of Ch. 2 to Fort Worth from Denton, Tex. drew more filings at FCC last week. KFJZ-TV Fort Worth, which seeks to move from Ch. 11 to Ch. 2, asserted that no one will be hurt by the change and that FCC "has a real opportunity to enhance the status of independent, non-network stations and provide an opportunity to compete in the interests of the public." Opponents WBAP-TV (Ch. 5) Fort Worth and WFAA-TV (Ch. 8) Dallas stated that the only new evidence submitted by KFJZ-TV is a request that weight be given to a Nielsen coverage study but that the study has no value in an allocation argument. They also said that KFJZ-TV could achieve greater coverage by power-height increases without a channel shift.

KFDM-TV (Ch. 6) Beaumont, Tex., which has been operating since April 1955, was again favored in a supplemental initial decision issued last week by examiner Annie Neal Hunting. The proceeding was reopened & designated for hearing by the FCC last May after being remanded to Commission by Appeals Court (Vol. 15:18 p5).

FCC's most mobile Commissioner, defense Comr. Robert E. Lee, has upcoming: Nov. 1, address to Okla. Bestrs. Assn., Oklahoma City; Nov. 3, address to State Civil Defense Dirs., Miami; Nov. 5, address to Office of Civil & Defense Mobilization staff group, Battle Creek.

Miami Ch. 10 conspiracy retrial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside is set to start this week (Nov. 3) in Washington's U.S. District Court—and it promises to be another legal marathon. Last-minute attempts by defense counsel Nicholas Chase & Arthur J. Hilland to win a postponement of the 2nd trial failed last week—just as earlier pleas to the Court of Appeals to call it off had failed (Vol. 15:40 p5). Chase & Hilland argued before Chief District Court Judge David A. Pine that the retrial should be delayed at least until after the holidays, that it would be unfair to jurors to subject them now to prolonged service. They indicated that the proceedings may run as long as the first trial (12 weeks), which ended in a hung jury. Govt. counsel J. Frank Cunningham opposed any delay, however, and Judge Pine quickly denied the postponement petition. Judge Charles F. McLaughlin was assigned as the trial judge to replace Judge Burnita S. Matthews, who presided during the first battle over charges that Mack & Whiteside plotted to throw the Miami grant to National Airlines' WPST-TV.

FCC Chmn. John Doerfer raised industry eyebrows with the following exchange in the Oct. 26 *U.S. News & World Report*: "Question—Do you have in mind any action to improve the standards of TV programs? Answer—Yes. Presently the Commission has got under consideration the adoption of a rule requiring the networks to devote a half hour of prime time to public-service programming . . ." The facts are these: (1) FCC has discussed such a proposal but hasn't come to any conclusion about it. (2) Doerfer also had in mind the Commission's proposed rule on option time affecting "straddle" programs—those part in option time, part out. In paragraph 10 of the FCC's April 23 proposal (Vol. 15:17 p3), the Commission said it wouldn't count against option time "certain live network programs of national importance involving educational cultural or public affairs, special events, or sporting events which, because of their length necessarily straddle option & station time, and which it would be in the public interest for stations to broadcast as a unit or at the time the events take place."

Quiz producers Jack Barry & Dan Enright, as if they hadn't enough trouble, have FCC on their necks through their ownership (50% each) of radio WGMA Hollywood, Fla. Exploring their "characteristic qualifications," the Commission has asked Rep. Harris' investigating subcommittee for information. The subcommittee heard Enright's most important testimony on quizzes during a closed-door session (Vol. 15:42 p4), and the group would have to vote on whether to release the testimony to the FCC.

Translator starts: K72BA, K75AP, K78AM & K81AE St. James, Minn. began Oct. 1 repeating KSTP-TV, WCCO-TV, KMSP-TV & WTCN-TV, Minneapolis-St. Paul. Also W73AC Clarks Summit, Pa. began Sept. 10 with programs of owner WNEP-TV Scranton-Wilkes-Barre. K70BJ & K74AV Navajo Compressor Station, Ariz., operated by El Paso Natural Gas Co., expect to start Nov. 1 with KOB-TV & KOAT-TV Albuquerque.

Overcrowded FCC will shortly move its hearing examiners, except chief examiner James Cunningham, from the New Post Office to an ex-bank building at 9th St. & Mt. Vernon Pl. N.W., Washington. Other groups, not yet designated, are expected to move there later.

Educational Ch. 11, Tallahassee, Fla. has been granted to the Board of Control of Fla. and Fla. Educational TV Commission. Also authorized was a Ch. 74 translator in Gallup, N.M., to Gallup McKinley County schools, to repeat the programs of educational KNME-TV Albuquerque.

Auxiliary Services

Booster Rules Hang Fire: FCC didn't come to a vote last week, after it pondered proposals to establish vhf boosters as a legalized service, but it's expected to make a decision any week now.

It's believed that the Commission will come out with a notice of proposed rule-making, inviting industry comments rather than producing a final order. There's considerable belief, too, that the Commission will adopt rules requiring a minimum of expense & attention on the part of booster operators. At the same time, it's likely that uhf translator rules will be relaxed, making translators cheaper and thus more attractive. Evidently, the Commission hopes that some groups will choose to build translators instead of boosters. It is legalizing boosters only because of congressional pressure.

If FCC finalizes new booster rules, these would apply only to boosters built thereafter. The Commission still awaits passage of a law which would forgive existing booster operators for having built without authorization. Thereafter, such operators probably will be given a year or two to meet new FCC standards.

Point-of-purchase TV advertising (Vol. 15:25 p15) is now engaged in a 6-month market-test by Store-Video Inc. at a N.Y.C. Grand Union supermarket. The closed-circuit medium aims to stimulate sales in the store with telops of 100 ads in 50 different categories which are projected for simultaneous, 7-sec. exposure on 42 RCA 21-in. TV receivers suspended over the display shelves. Each advertiser gets 560 impressions weekly. Sales of the TV-promoted products will be measured against those of a comparable Grand Union store. Pres. Lee Wagner hopes to prove that his Store-Video is "an effective substitute for rapidly disappearing point-of-sale advertising material in food stores."

Bell Lab's "Picture Phone" (Vol. 12:34 p3), a 2-way TV system which transmits pictures & sound over ordinary phone lines, has been patented (No. 2,909,600). Although the small, newspaper-half-tone-type pictures have been successfully transmitted, even cross-continent, inventor-engineer Floyd K. Becker & other Bell engineers want to improve the image before offering it to the public. The system utilizes a small camera & picture tube at each phone and reproduces one picture per sec. Bell officials have not estimated when the system may be available to the public.

Deep-sea TV surveys in salvage & search operations can be made with a new self-propelled camera unit developed for the Navy's Bureau of Ships by Vare Industries, Roselle, N.J. Designated the AN/SXQ (XN-2) by the Navy, the device already has undergone successful ocean-bottom tests at depths of more than 600 feet. A multi-conductor cable provides remote control for the system from an accompanying vessel. The movable camera housing can be trained 70 degrees in any direction.

Ticker tape TV system has been installed by N.Y. brokerage Goodbody & Co. to flash pictures of stock quotations to customers & staff in all executive & sales areas. The GPL-designed system, built around a single TV camera & 15 monitors, incorporates a dual tape "damping" device which permits simultaneous transmission by one camera of tapes of 2 different stock exchanges.

Translator grant: Ch. 71 & 79, Olivia, Minn., to Renville County TV Corp.

Networks

CBS Unloads Park: CBS Inc. and the Los Angeles Turf Club, the combine which opened Pacific Ocean Park at Santa Monica, Cal., in 1958, last week sold the amusement park to realtor John M. Morehart for a figure "in excess of \$10 million." (The sellers are reported to have spent about that sum in setting up the park.) The park had been closed last winter and did not reopen, although it had been announced as a year-round operation. The new owner says he will spend an additional \$4 million for remodeling, and will reopen the park next May 28, at reduced prices.

Ex-CBS-TV pres. Jack Van Volkenburg, who served as pres. of the park is now in Florida. He is due in California to wrap up details of the takeover, after which he will return to Florida for retirement. Widespread trade reports have it that the amusement park, a less ambitious CBS parallel of ABC's Disneyland venture, had been operating in the red for some time, but network sources last week declined to confirm this.

* * *

Flat denial of rumor that CBS-TV pres. Louis G. Cowan is resigning to be succeeded by exec. v.p. James T. Aubrey Jr. came this week from Aubrey and other CBS brass. The widely circulated rumor in N.Y. & Hollywood drew a categorical "nothing to it" when we asked CBS officials on both coasts.

Mutual's Bankruptcy Fight: Witnesses to the \$750,000 cash exchange between Otto Vega, aide to Raphael Trujillo, and Alexander Guterma, ex-MBS pres., included Porfirio Rubirosa and Hal Roach Jr., it was learned in N.Y. Bankruptcy Court last week. Vega testified that he personally handed over to Guterma a "little black laundry bag" containing \$750,000 "mostly in \$1,000 bills" in a room at the Ambassador Hotel, Ciudad Trujillo, on Feb. 5, 1958.

A receipt signed by Guterma as pres. of Radio News Service, was given to Vega in exchange, Vega said. The original contract between the DR & Guterma (for Dominican news insertions in Mutual newscasts) was for a \$750,000 check payable to Mutual, but the final draft of the contract called for cash payment to Guterma as Radio News Service pres., Vega told the court.

Final pro & con arguments attesting to the validity of the Dominican claim against Mutual will be heard by bankruptcy ref. Asa Herzog this week (Nov. 2). Meanwhile, N.Y.C.'s tax claims against Mutual were settled out of court over the Oct. 23-25 weekend with Mutual "paying considerably less" than was originally asked by the city.

Predecessor of space TV relays was shot into sky last week—100-ft. aluminized balloon, largest object ever placed in space. It was initial test of inflatable items designed to serve as passive space communications relays, was launched from Wallop's Island, Va., and raced across sky—plainly visible from eastern seaboard—before falling into earth's atmosphere. The National Aeronautics & Space Admin. launched the balloon, predecessor of first actual tests of balloon satellite-relays late this year or early next year by NASA and Bell Labs (Vol. 15:40 p3).

WFAM-TV Lafayette, Ind. has rejoined CBS-TV as an interconnected EMP (extended market plan) affiliate, and new owner Sarkes Tarzian plans to resume operation soon as Ch. 18. CJSS-TV Cornwall, Ont. has joined the network as a secondary interconnected affiliate.

Advertising

FTC DECLARES WAR: FTC Chairman Earl W. Kintner has followed up his recent warnings to TV to do its own program housecleaning (Vol. 15:42-43) by ordering his HQ staff & 9 field offices to start a "major drive" to clean up "spurious" TV commercials.

In stern staff instructions for the new campaign against what he called commercials which "exaggerate, irritate and nauseate," Kintner:

(1) Ordered that FTC's small TV-radio monitoring unit, which has seldom totaled more than a half-dozen HQ men, be "more than doubled"—and that it be kept at double strength "for as long as necessary."

(2) Called for scripts of all TV-network commercials scheduled for the pre-Christmas Nov. 15-Dec. 15 period.

(3) Ordered regional FTC staffs to step up their TV-watching locally for the purpose of "speeding investigations of non-network shows throughout the country."

Kintner also called on the TV industry to help FTC "halt bad taste in advertising" even when no infractions of FTC rules against fraud & deception may be involved. He said the industry itself should participate in the new drive by "rejecting illegal advertising and screening out advertising which skirts the law."

* * *

Reports that FTC is expanding its TV-radio monitoring system into studio policing of commercials while they are being prepared, are denied by FTC. "It's the bunk," and FTC spokesman told us when asked about a Hollywood trade paper story that the agency is sending "watchdog" representatives to N.Y. & Hollywood to keep an official eye on production of commercials. "We would no more think of sending anybody for advance looks at commercials while they're being filmed than we'd think of having somebody watch printing presses for ads before they appear in newspapers. We're interested only in ads when they are seen & heard by the public. Occasionally an advertiser will ask us for an advance opinion about an ad, but that's all."

Ale is ale, even when it's the ginger variety, believes the Alberta (Canada) Liquor Control Board, which, among other duties, prohibits liquor ads within the province. It viewed with disfavor the sponsorship on 5 Alberta stations of *The Phil Silvers Show* by ginger ale & beer maker Sicks Lethbridge Brewery Ltd. The Board concluded that the TV advertising of ginger ale might whet the public thirst for beverages with more ginger. Result: the 5 stations are now crying in their beer over contracts down the drain.

Nighttime audience composition and viewer-age factors for network TV programming will be measured by Trendex for a full week in mid-Nov. Sample size will be 1,000 calls per 30-min. period in the cities in Trendex's normal sampling area. The study will be offered to agencies, advertisers, networks and station reps. Publication is planned for early Dec.

People: Michael Turner and Jack Bernhardt, elected Benton & Bowles v.p.'s . . . Thomas G. Watson Jr., N. W. Ayer v.p., named to head Chicago office . . . William J. Breen, McCann-Erickson v.p., resigned . . . Thomas M. Lufkin named TV-radio supervisor, Hollywood office of Ted Bates . . . Gordon Webber named v.p. & best. commercial production dir., Benton & Bowles.

Nets' August 7% Better Than '58: All major media (with the sole exception of network radio) gained ad volume in Aug. over Aug. 1958, to push the general ad index 10% ahead of the year-ago performance. *Printers' Ink's* latest index also shows however, that all media (except business papers & outdoor) skidded in Aug. from July volume—with network radio plunging deepest, 21%. The Aug.-over-Aug. gains were paced by magazines, up 17%. Net TV was up 7% for Aug.-over-Aug., up 10% in cumulative volume, and down 8% from the previous month. Newspapers gained 8% in Aug. over Aug. and 10% in the cumulative reckoning, but slumped 9% in Aug. from July. The poorest showing by far was net radio's, down 27% in Aug.-Aug. business, down 21% from July, and down 12% year-to-date. Best performance: general monthly magazines, 26% ahead Aug. over Aug., 16% ahead cumulatively.

Medium	Index		% Change from		% Cumulative Change
	Aug. 1959	Aug. 1958	1 month ago	1 year ago	
General Index	222	202	- 5	+10	+ 7
Total Magazines	175	149	- 5	+17	+10
Weekly	191	167	- 5	+14	+ 8
Women's	129	112	- 7	+15	+ 9
General Monthly	224	178	- 3	+26	+16
Farm	109	96	- 4	+14	+ 2
Newspapers	197	182	- 9	+ 8	+10
Network Television	437	409	- 8	+ 7	+10
Network Radio	19	26	-21	-27	-12
Business Papers	235	208	+ 4	+13	+ 5
Outdoor	165	158	+ 4	+ 4	- 4

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52. "Cumulative change" in the last column refers to the change from the same period last year, of the index average from January through Aug. 1959.

Broadcasting outpaces other media in its share of advertising, which was a \$10 billion-plus U.S. business last year, pres. William W. Neal of Atlanta's Liller, Neal, Battle & Lindsey agency pointed out last week in an upbeat speech on TV-radio revenue prospects. Featured luncheon speaker at NAB's 2-day regional conference in Atlanta—4th in a series of 8 fall meetings—Neal said the future for all advertising is "bright," despite the overall record in 1958, when broadcasting was the only medium to show an increase over 1957. While total advertising dropped about 2% last year, broadcast advertising went up by more than \$50 million to a TV-radio total of about \$2 billion—"almost exactly 20% of the grand total," Neal reminded the conference. Upcoming NAB conferences, which generally follow the format of the opening session in Washington (Vol. 15:42): Fort Worth, Texas Hotel, Nov. 10-11; Denver, Brown Palace, Nov. 12-13; Los Angeles, Ambassador Hotel, Nov. 16-17; Seattle, Olympic Hotel, Nov. 19-20.

American Assn. of Adv. Agencies' eastern annual conference will be held Nov. 4-5, at Hotel Biltmore, in N.Y. One of the sessions will be an all-day creative meeting Nov. 4 at the Museum of Modern Art to be presided over by Curtis Berrien, William Esty Co. v.p.-copy chief, and Raymond Lind, Benton & Bowles v.p. for TV commercial production. On Nov. 5 Richard P. Jones, J. Walter Thompson v.p., will be chairman of the session on media buying.

Advertising Federation of America (AFA), has moved its Washington office, headed by v.p. Donald J. Wilkins, to the Associations Bldg., 1145 19th St., N.W. (District 7-3061). This is AFA's first move toward shifting its HQ from N.Y. to Washington next year.

New reps: WTTV Bloomington-Indianapolis to Young TV Nov. 1 (from Meeker). KTVR Denver to Young TV Oct. 19 (from Blair TV Associates). WSIX-TV Nashville to Peters, Griffin, Woodward Oct. 1 (from H-R Television).

'Instant Niensens' for N.Y.: The long-awaited entry of A. C. Nielsen into instantaneous TV measurement (experiments since 1946, a pilot operation in N.Y. since 1957) became a reality last week when the research firm began signing clients for a service designed to provide next-morning audience figures. Signed so far: N.Y. outlets WABC-TV, WNTA-TV, WPIX and WNEW-TV.

The speeded-up Nielsen service uses a fixed panel of 230 homes (containing 270 sets to reflect multi-set households) in which Nielsen-designed circuitry "reports" station tuning to a central point via leased wires. As in the somewhat-similar system used by competitor ARB's Arbitron service, the data is then compiled to show program ratings by 15-min. periods, minute-by-minute audience flow, home duplication between programs, and other factors such as the cumulative audience reached by advertisers using spot schedules.

The new Niensens—part of the Nielsen Station Index service of local-level ratings—will appear as weekly Metropolitan-area reports and overnight (or faster) supplements to the regular NSI monthly & bi-monthly complete TV reports for the N.Y. market. Eventually, the new service will be expanded to other areas. (Cracked one observer, as he watched the winking neon lights & clicking tape record of the central data panel: "now a producer can stand here and watch his option drop.")

* * *

News of other Nielsen expansions & future areas of operation also came from the research firm last week. In Canada, a Nielsen subsidiary is at work surveying station coverage in all 239 counties of Canada's 11 provinces for the first nationwide Canadian Nielsen Coverage Service (NCS) study, which bears a release target of early next year. J. Walter Thompson, Procter & Gamble, and CBC have signed for the completed study.

Nielsen is also experimenting in 2 other areas: "brand ratings," which are designed to show the size of audiences earned in top TV markets by brands within specific product categories, and "print-TV" ratings, which will explore "the audience reach of combinations of magazines or newspapers and TV."

TV as a Bookseller: Television is an "unpaid hotshot salesman" for books, writes Tulsa bookseller Lewis Meyer in Sept. 28 *Publishers' Weekly*. Meyer conducts a Sun. televised book review program.

"Next time someone says that TV has hurt the book business," says Meyer, "tell him that TV is the greatest force for selling books since censorship! An Alexander King appearance on Jack Paar's show sells more books than a costly ad in the local newspaper . . . A buying urge for books shown on TV is even more acute than an urge to purchase refrigerators, cars or painkillers, because the audience doesn't set up barriers against commercials.

"TV sells books 2 ways: through interviews with authors on name network shows, and through straight book review shows. The former technique sells the most copies because it is a better established network fixture. TV personalities encourage authors to appear because authors as guests keep their shows fresh & uncontrived . . . Paar, Garroway, Linkletter, Sullivan, *What's My Line?*, NBC news commentator Chet Huntley (he triggered the demand for *Advise & Consent*) plus the many local TV personalities [are] salesmen whose commissions, if paid, would be astronomical. Thank heaven they work for all of us for free."

Why Are Agency Profits Down? Ad agency profit dropped to 3.23% of gross income in 1958 from 4.11% the previous year, continuing the decline since 1944 when the profit margin peaked at 9.03%, writes AAAA pres. Frederic R. Gamble in the Nov.-Dec. *Harvard Business Review*. A prime culprit in his opinion: TV. "While it took radio a decade to attract 10% of total national advertising expenditures, TV did the same job in 5 years," he says. "It grew from 1.3% of the volume in 1949 to 10.3% in 1953, and now accounts for 17.5%. It is hardly happenstance that the slide in agency profit margins has coincided almost exactly with the growth of this new medium."

Gamble writes that TV has introduced a host of agency activities & services which have increased costs, and that "TV advertising requires high-salaried people. As the medium has grown, the high manpower cost of production has narrowed profit margins for many agencies . . . One advertising executive recently described TV as an 'orge,' explaining that if he could convert his TV billings to other media, annual earnings for the agency would skyrocket. Another agency executive estimated that TV advertising requires 5 man-hours of work for every man-hour put into a similar budget in other media." Solution: "There are signs here & there that agencies are learning how to reduce the costs of producing TV advertising."

Ad-agency sponsorship of a TV program to advertise advertising is reported by WBZ-TV Boston. Local Ray Barron agency will pick up the tab this week (3) for an 11:15-11:30 p.m. election roundup and will use the commercial time "to dispel some of the common misconceptions so many people have about the ad business." The sponsor is using Ray Barron agency.

Television Factbooks Going Fast

OFF THE PRESSES only a few weeks, *Television Factbook No. 29*, Fall-Winter edition of the TV-radio & associated electronics industries' standard reference book has already sold some 4,000 copies. We urge you to order the additional copies you may need now. Completely indexed, this 496pp. semi-annual "almanac" provides ready access to a wealth of basic data on all U.S., Canadian and World TV stations and networks (including complete rate cards of the U.S. & Canadian networks and digests of all station rate cards); new census of TV sets by states & counties; a Canadian TV set census; data on all CPs outstanding and applications pending; updated allocations tables.

Also included are new listings of producers of TV tape programs & commercials, stations with TV tape equipment, metropolitan market data, leading TV-radio ad agencies.

All other depts. have been updated, too, including directories of the FCC, TV sales reps, program producers & distributors, manufacturers of TV-radio sets, tubes & transistors, TV-radio attorneys, consulting engineers, specialized consultants, electronic labs, etc, etc.

Included with each *Factbook* is a revised copy of our 34x22 in. Map of TV Cities and Network Interconnections, in color, suitable for framing. *Television Factbook No. 29* costs \$5 for a single copy; \$3.50 each for 5 or more.

Television Digest

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WALTER H. ANNENBERG, President

PUBLICATION OFFICE Bax 700, Radnor, Pa. MUrray 8-3940
JAMES T. QUIRK, Business Manager
JAMES B. DELEHANTY, Asst. Business Mgr.
MERRILL PANITT, Editorial Director
HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Sterling 3-1755
ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.
New York 22, N.Y.
Plaza 2-0195
CHARLES SINCLAIR

WEST COAST BUREAU

6362 Hollywood Blvd.
Hollywood 28, Cal.
Hollywood 5-5210
DAVID KAUFMAN

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Personals: Robert Lemon named mgr., of NBC's WNBQ Chicago; William B. Decker named mgr., radio WMAQ; George W. Diefenderfer appointed national & local sales mgr., WNBQ; Theodore H. Walworth appointed mgr. of NBC's WRCV-TV Philadelphia . . . Emmett A. (Buzz) Hassett Jr., ex-WFMY-TV Greensboro, N.C., appointed gen. sales mgr., WITI-TV Milwaukee . . . S. M. (Mort) Roseman, ex-WISN-TV Milwaukee, named program dir., WTCN-TV Minneapolis-St. Paul, succeeding Ted L. Snider, resigned . . . M. S. (Tony) Bachman named public affairs dir., KXTV Sacramento, continuing also as promotion mgr.

Hillard Elkins named General Artists Corp. West Coast v.p. for TV . . . Jerry K. Levine, ex-Paramount Pictures, appointed Columbia Pictures Eastern adv. mgr. . . . Rod Erickson resigns as Warner Bros. sales v.p.

Gayle Gupton, ex-adv. & PR asst. v.p., Third National Bank, Nashville, appointed dir. of Clear Channel Bestg. Service, Washington, succeeding Hollis M. Seavey who resigned last March 31 after buying radio WCUM Cumberland, Md. . . . J. D. Nixon named program dir., CBC English TV network; Bruce Raymond appointed to similar position, English radio networks . . . Walter J. Plant, NTA program sales v.p., named to head NTA Chicago office . . . Stan Raiff, ex-NAB staffer, joins Brooks Piece Dye Works Corp., Long Island City, N.Y., as PR chief.

Donald H. McGannon, WBC pres., named to the U. of Notre Dame advisory council for liberal & fine arts . . . Robert E. Ware named chief engineer of the Alabama Educational TV Commission facilities at Auburn, succeeding George Murphy, resigned to join Ampex . . . Angela McDermott named exec. dir., Mass. Exec. Committee for School TV & "21-Inch Classroom," a four-state school TV project . . . W. C. Pearson named counsel to Canada's Board of Best. Governors (BBG), succeeding R. R. MacGillivray.

Attention-getting promotion piece is being airmailed from London by KTVR Denver to prospective advertisers. Sales message inside hand-addressed, plain white envelope advises: "In London, TV viewers have but 2 programming choices [BBC, ITV], but in Denver the TV viewer's programming choice is [Channel] 2."

Obituary

John J. Mead Jr., 63, co-publisher of the *Erie* (Pa.) *Times* and *Morning News* and 13% owner of WSEE (Ch. 35), died Oct. 29 in Erie. Surviving are his brother George, co-publisher of the newspapers and WSEE pres., 3 sons, a daughter, another brother.

Ampex Professional Products Co. has been formed by Ampex Corp. in a reorganization of its professional products div. The new company is headed by mgr. Neal K. McNaughten, who is also v.p. of the parent Ampex Corp. Key personnel in resulting organization: Video products div.—Thomas E. Davis, mgr.; Charles P. Ginsburg, mgr. of engineering; Ross H. Snyder, products mgr.; Jack Hauser, merchandising mgr.; Thomas J. Merson, head of national sales & service engineering staff; William Wallace, program-production coordinator, Hollywood; Milton Norton, ex-RCA, Midwest sales; Jack Flynn, ex-Potter Instrument Co., Eastern district mgr.; Russell Ide, ex-Sarkes Tarzian, asst. to national sales mgr.; Wharton Murray, ex-RCA Service Co., color Videotape installation specialist; Cyril Teed, British Marconi project engineer, resident Marconi engineer at Ampex. Audio products div.—Frank G. Lennert, mgr.; C. Robert Paulson, marketing mgr.; LaVerne Foster, admin. mgr.; Warren Anderson, sales promotion mgr.; Gerald Miller, national sales mgr.; Frank Richards, mgr. of special & custom products sales. Manufacturing div.—Arthur Kromer, mgr. Quality control div.—William Rolly, mgr. Personnel div.—Theodore Scudder, mgr. Operation & finance div.—Ray Stewart, mgr. Robert Miner is special market planning & research asst. to McNaughten.

Meetings next week: Assn. of Bcst. Execs. of Texas (Nov. 9), Western Hills Inn, Dallas-Fort Worth; Harold E. Fellows, NAB pres., guest speaker. Ariz. Bcstrs. Assn. annual meeting (9), Valley Hotel, Scottsdale. Institute of Radio Engineers radio fall meeting (9-10), Syracuse Hotel, Syracuse, N.Y. NBC TV-radio affiliates (11-13) Plaza Hotel, N.Y. Colorado Bcstrs. & Telecstrs. Assn. (13) Brown Palace, Denver.

TV doesn't win elections, CBS news pres. Sig Mickelson told an Oct. 28 luncheon meeting of the Radio-TV Execs. Society in N.Y., although it "increases interest." In 1960, he added, it'll be harder for candidates to find time to pre-empt for sponsored political shows "since there are fewer live programs, and film productions cannot be readily cut." Mickelson also expressed the hope that candidates will not discriminate between TV & newspapers as public media by "scheduling separate press conferences."

Strong affiliate support for NBC radio's new network pattern, whereby news & information shows are being stepped up but entertainment features are being offered on a pay-for-what-you-use plan, is being received, officials of the network told us last week. NBC radio exec. v.p. Joe Culligan last week explained the plan to regional meetings of radio affiliates in Chicago & San Francisco, following a regional meeting in N.Y. at which affiliate managers endorsed the plan, which goes into effect on Jan. 1, 1960. In N.Y. Culligan told us "we've described the plan in detail before executives and owners of a total of 168 affiliates, and so far have gotten unanimous approval. We have no doubt that this is the best operating method for a radio network today."

Status Symbol for Radio: RAB voted recently to construct a modern building to house its executive offices, using "money now expended in rent." Time Inc. v.p. Weston C. Pullen Jr. will be chairman of the building committee, with Elroy McCaw, WINS N.Y., vice chairman.

Dick Clark's book for teenagers: *Your Happiest Years*, (Rosho Corp., distribution by Random House, \$2.95) will be published Nov. 16.

The 500th production-model Videotape recorder was shipped by Ampex last week to educational WENH-TV Durham, N.H.

Film & Tape

WB-SAG Make Up; WB to Pay Up: Screen Actors Guild, which has been vigorously following up members' complaints of working-condition violations by TV film companies, came up with a clear-cut victory over Warner Bros. TV last week. The studio admitted the violations and agreed to pay penalties, as provided in SAG's contract.

Exact amount of the penalties isn't known yet, as Guild accountants are still going over the studio records, but insiders say it will be "considerable." Following the meeting, SAG and WB issued a statement saying "the outcome of the meeting was satisfactory to both parties. The studio agreed to satisfy any obligations as a result of past violations and steps have been taken to avoid recurrence of past differences."

SAG's successful bout with Warners apparently is only the beginning. While the Guild declines to go into specifics regarding other telefilm companies, it acknowledges that it is checking every company, and has hired 2 additional field representatives to halt what it believes may be widespread violations of Guild working conditions.

The long-simmering Warner Bros. situation broke into the open last week (Vol. 15:43 p14) when SAG's bd. of dirs. publicly denounced WB for its "failure to correct abuses concerning violation of meal periods, rest periods and other working conditions."

Previously, Warner Bros. v.p.-gen. studio mgr. E. L. DePatie said he was "shocked" that SAG would take its case to the press, instead of seeking to reconcile the problems. Said he: "The pressure of modern TV production brought with it an increase in our studio employment in excess of 50% above normal, and it is possible procedures might have failed."

DePatie asserted any contract violation has been "unintentional." "If the rapid expansion of TV production has resulted in inadvertent errors affecting players, it is also true that the flourishing TV program has provided top studio employment and the opportunity for stardom given many players who were unheard of only a short time ago," he declared.

SAG's action against Warners followed a joint protest by most of that studio's TV stars against working conditions, the actors alleging continual violations of their contract over a long period of time. Last year, when Clint Walker was suspended by Warner Bros. from *Cheyenne*, he complained he often worked until late at night, and rarely got sufficient rest between work periods. While WB's situation then involved only one of its stars, the current problem includes most of them.

The situation is unprecedented, being the first time stars have mass-protested their working conditions. And it's the first time SAG has publicly charged such mass violations by any studio.

* * *

Another headache was facing Warners at week's end: Edd Byrnes, who zoomed to stardom as Kookie of *77 Sunset Strip*, wants more money. As an unknown, he was signed for \$225 a week—and became the most popular star on the Warner lot in terms of fan mail. He now gets around \$400 a week. An earlier dispute between Byrnes and WB was settled amicably—on record royalties. Under his contract he originally didn't get any, but William Morris Agency negotiated a new deal for him a few months ago after one of his records sold more than a million copies. Warner has shown a willingness to negotiate the latest dispute, too.

Lorillard will not renew at the end of Dec. its one-third sponsorship of Warner-produced *Bourbon St. Beat*, the latest ABC-TV 60-min. show to face sponsor trouble. Unlike sponsor discontent with *Adventures in Paradise* (Vol. 15:41, p14), the P. Lorillard billings in the show, worth \$2 million annually but subject to 13-wk. cancellations, are not being yanked because of the quality of program episodes, we were told by Lennen & Newell last week. The agency, however, declined comment on a report, current in N.Y., that Lorillard wanted out because the tobacco firm discovered that the other 2 sponsors of *Bourbon*, Libbey-Owens-Ford and Van Heusen, were paying notably less per episode in program charges than was Lorillard, because of network program-contribution concessions.

MGM-TV has made a deal whereby Rexall will finance its pilot of *National Velvet*, we're informed by George Shupert, v.p. in charge of TV for Loew's Inc. Shupert commented "we feel if a sponsor is in a project at the beginning, and puts his own money into the pilot, he will be more interested in it." He said producer Bob Maxwell begins casting the show this week, and the pilot will go into production immediately thereafter. Shupert said also that MGM-TV has two 26-week-series deals pending.

Longevity of sponsorship, in terms of 52-wk. schedules from leading regional advertisers, is a major factor in getting prime-time station clearances for syndicated telefilms at the expense of network fare, ITC syndication sales mgr. Hardie Frieberg has reported. Frieberg cited the track record so far of ITC's recently released *Four Just Men* (30-min. British-filmed mystery series) which has landed in 52-wk. prime exposures (between 7-11 p.m. on weekends, 7:30-11 p.m. on week nights) in 67.7% of 31 markets in which it has been booked to date. "It's no secret that a 13-wk. contract could very well see a show taken off the air just as it's building a viewing audience," said Frieberg in an obvious reference to the current network trend toward short-term program contracts.

Writers Guild of America membership will take a strike vote this week (3) in its deadlocked negotiations for a new contract with the major studios. It will also vote on extending its 2% screen-writer assessment to the entire membership, and on using Screen Writers Guild money as a strike fund, if necessary. The Guild doesn't want a strike, and is seeking a settlement of the issues. The basic points of disagreement with the studios lie in the Guild demands for payments on post-1948 movies sold to TV & movies for pay TV (if & when). In an unusual statement, the guild notified its members last week that because negotiations may run beyond the contract expiration date they should be prepared to work, for a limited period, without a contract.

Video-taped documentaries on surgery & hospital care may eclipse live telecasts of such subjects, opines Louis Graff, Michigan Hospital Service PR dir. Referring to 4 30-min. documentaries produced by Ross Roy Inc. for Michigan Blue Cross-Blue Shield, Graff cited these advantages of tape over live: (1) may be edited; (2) doctors relieved of camera "looking over their shoulders"; (3) sponsor relieved of fear of something going wrong with operation during the broadcast. Initially scheduled for live telecast on WJBK-TV Detroit, the surgery was taped after the Wayne County and Washtenaw County (Detroit area) medical societies passed resolutions condemning live TV surgery.

ABC Films reports sales of its *People's Choice* in 15 new markets, and *Adventures of Jim Bowie* to 10 stations, during the week ending Oct. 23.

NEW YORK ROUNDUP

United Artists Associated product has been sold in 36 markets during the past 2 weeks, reported v.p. & gen. mgr. Bob Rich. "The Jazz Singer," recently updated in a Ford special, was bought by 7 stations. The largest single buy was by KRSD-TV Rapid City, which bought 10 groups of Warner features, Movieland features, the Sherlock Holmes package and other UAA features.

Ziv's *Highway Patrol* reruns have now been bought by 63 stations, with sales being handled by Ziv's Economee Rerun div. The package consists of 156 episodes. Sales of Ziv's *Tombstone Territory* reruns have been made to 12 stations in a 10-day period.

Fred Hamilton, ex-NBC-TV Hollywood dir. of film programming, has joined Ziv TV programs as exec. producer . . . Max P. Brown has been named dir. of administration for the East Coast operations of NTA . . . H-R TV's second annual promotion workshop was scheduled for Oct. 30 for promotion mgrs. of H-R-represented stations.

"Naked City," produced as a 30-min. telefilm series last season by Herb Leonard in conjunction with Screen Gems, is about to be revived as a 60-min. property, with ABC-TV agreeing to finance a pilot to be filmed entirely in N.Y. within the next few weeks. The series, which ABC is said to be considering as a possible mid-season replacement for any of its 60-min. film shows that may be dropped, will center on exploits of 2 N.Y. detectives, not yet cast.

NTA Telestudios has produced a new series of 8 video-taped commercials for Westclox watches, through BBDO. Actress Betsy Palmer is featured. The commercials were produced for 3 Westclox specials including "Miracle on 34th St.," set for Nov. 27 on NBC-TV.

Golden Press Inc. and puppeteers Bil & Cora Baird will produce a 30-min. color film series titled *Bil Baird's Golden Time* . . . MCA's *Shotgun Slade*, has been bought for WPIX N.Y. by P. Ballantine & Sons, for the Thurs., 10:30-11 p.m. time period.

. . . Trans-Lux TV has made available a Christmas holiday package of one 30-min. & four 15-min. films with yuletide themes. Letters seeking bids were sent to stations last week. The package was compiled because of "at least 75 requests for pre-Christmas programming," said Trans-Lux.

Gifford-Kim Productions Inc. is the new name of Gifford Animation Inc. Added is the name of Paul Kim, v.p. & partner in the commercial-production firm. Previously geared to film animation, production of G-K will now encompass live-action production as well.

WNTA-TV personalities David Susskind, Faye Emerson, Mike Wallace and Henry Morgan flew to Chicago Oct. 28 to promote syndication of their taped interview programs and the station's *Play of the Week* to ad agencies.

Roncom Productions (Perry Como's company), in addition to its projected telefilm series (Vol. 15:43 p15), is currently working on plans for specials starring Charlton Heston & Jane Powell. Miss Powell may also star in a series for Roncom.

ITC's rerun distribution arm Arrow Productions will handle the sale of a Metropolis Productions package of 35 pre-1948 features acquired from Medallion Pictures. Titles include "People Are Funny," "Dynamite," "Timber Queen."

HOLLYWOOD ROUNDUP

Motion Picture Assn. of America, after several weeks of see-sawing following Universal-International's refusal to join in movie-industry sponsorship of the Oscar awards, has decided to sponsor the 1960 event, we were told by Academy of Motion Picture Arts & Sciences pres. B. B. Kahane. The other major studios will pick up the financial slack left by UI's departure. Formal announcement of industry sponsorship will be made this week.

Ann Sothorn is at odds with the Govt. in Washington's U.S. Tax Court concerning \$722,322.44 which the tax men say the actress owes from proceeds of the sales of residual rights in syndication of *Private Secretary*. Miss Sothorn contended last week that her 25% ownership in the telefilms should have been taxed at a capital gain rate, and that she actually owes only \$7,120.94—a sum which also involves tax deductions for an ill-starred venture into cattle ranching in which most of the livestock died.

Harry Ackerman, Screen Gems production v.p., has been approached by 20th-Fox regarding taking over as successor to Martin Manulis. He pointed out that he's under contract to SG . . . SG incidentally tried to sign Tuesday Weld for a series, but was informed by her agent that the 16-yr.-old is fed up with TV and wants to work in movies. She is committed for 18 segments of *Dobie Gillis*.

Los Angeles Dodgers pitcher Don Drysdale has been signed by Warner Bros. for a featured role in an episode of *The Lawman* . . . Jerry Stanley, NBC film mgr., has been promoted to dir. of the film programs.

CBS has signed writer Steve Fisher to write & produce *Goodbye Hannah*, for the CBS-TV workshop. The 60-min. suspense drama will be taped late this year and will serve as a series pilot . . . Allied Artists is reactivating its long dormant TV film production, with 2 pilots which will be financed by ABC Films for syndication. AA has in the past produced TV films under the banner of its subsidiary, Interstate Television, but the ABC vehicles, not yet selected, will be produced under the aegis of AA.

NBC plans a comedy pilot, *Poor Richard*, by Laslo Vadnay . . . Format Films Inc. has been formed to make animated subjects for movies and TV. Herbert Klynn is pres. . . . William Dozier, ex-CBS-TV Coast program v.p., begins his new job this week as v.p. in charge of Coast operations for Screen Gems . . . Bernie Tabakin named v.p. & natl. sales mgr. of NTA Telefilm Associates. He has been v.p. in charge of West Coast operations.

ITC's next syndication entry will be Jack Douglas' *Sweet Success* series of in-depth personality profiles. ITC is beginning to feel out interest in the series on the part of major regional sponsors, and hopes to tap new categories of advertisers for syndication (such as brokerage houses, credit card plans, business services) because of the Horatio Alger appeal of the series to rising young executives.

Glen Glenn Sound and Mark Armistead in Los Angeles are setting up a new mobile video-tape facility, offering color and b&w mobile recording. The joint venture will operate as a rental service to producers. Joseph Bluth is technical dir. The unit will consist of 2 remote trucks, one with 2 RCA color video-tape recorders, the other with 6 camera chains, 3 color and 3 b&w. Delivery of the units is expected shortly after Jan. 1.

Trade Report

NOVEMBER 2, 1959

2 MORE JOIN 23-in. PARADE: Almost everyone will be in the 23-in. act next spring, whether he likes it or not, and a couple more manufacturers indicated last week they're getting ready to dip their feet in. Others were silent, but that doesn't mean they won't be ready if 1960 customers come in demanding square-corner pictures.

Zenith and Westinghouse, both of which have been interested in Kimble Glass Co.'s 23-in. bulb without bonded-on implosion plate (Vol. 15:42 p18), are coming out with 23-in. sets—using Corning twin-panel glass. Both introductions will be quiet, without whoop-te-do.

Westinghouse will have two 23-in. models ready for introduction within 30 days, also will be testing tubes made with Kimble glass to see if they stack up with advance billing.

Zenith will include 23-in. models in its drop-ins after New Year, presumably also will be experimenting with Kimble approach. Says exec. v.p. Leonard C. Truesdell: "The Corning is the most tested design."

RCA's two 23-in. sets (Vol. 15:36 p15) are currently being shipped to distributors. Motorola says no 23-in. set is "imminent." Olympic says none are "planned in the current program." Others are silent.

TV SALES HEADING BOTH WAYS AT ONCE: Public's TV preferences seem to have scrambled off in all directions during first 8 months of this year. Portables & table models sharply increased their sales lead over consoles & combinations. At same time, price of average TV set sold during the period increased over last year.

This seeming paradox in year which saw few price increases on model-for-model basis indicates success of sell-'em-up campaigns. All manufacturers tell us that people are buying on a quality rather than price basis, and analysis of latest available figures indicates that although consumers have been trending more heavily to table models, they are buying higher-priced sets this year. Since figures cover only Jan. thru Aug., they don't reflect too strongly the industry's new 1960-model emphasis on "fine furniture" consoles. Here are breakdowns for year's first 8 months:

Average TV set was sold at factory price of \$136.11, \$3.55 higher than the \$133.65 of first 8 months of 1958. This continues the upward average-price trend which started in 1957. This year, portables & table models comprised 62% of total TV-set sales and accounted for 54% of total TV-set dollar volume—up from last year's 58% of units & 50% of dollar volume.

Average table model or portable sold this year at \$118.09 vs. \$114.54 last year (factory price excluding excise tax), average console or combination at \$165.03 vs. \$159.97. Since latter part of year traditionally is time when consumers go for higher-priced TVs, average set price for full year of 1959 probably will be in range of \$140 or a little higher—up from \$136 last year, \$130 in 1957 and \$127 in 1956 (Vol. 15:31 p18). Middle-of-the-line spring drop-in models and anticipated price increases (see story below), plus continued emphasis on furniture consoles, may well push average prices up at higher rate next year.

TV PRICE BOOSTS THIS WINTER? Nobody likes to talk about TV price increases—particularly now when sales are going so well—but pinch of creeping component costs may force either spot or general boosts after Christmas season.

How much component prices actually do go up will depend, of course, on revisions of steel pricing after final settlement of strike. Almost all manufacturers are inclined to try to hold price line on existing sets through production economies or by absorbing any small component price increases. New spring drop-in models, however, definitely will reflect higher component & material prices.

Bellwether RCA will say only that it's watching costs "from day to day," doesn't anticipate increases. But, as RCA Victor TV v.p. James M. Toney told Cincinnati audience last week (referring, in this case, to color sets), "the trend is up, instead of down."

"There undoubtedly will be price increases after the steel strike," an Admiral spokesman says flatly.

Anticipating upward price trend before end of year in some of its models is Olympic, whose pres. Morris Sobin told us his company has been obtaining steel at "modest premium."

Price increases of about 3% to 4% across-the-board after year's end, concurrent with introduction of new models, is predicted by Westinghouse mktg. mgr. C. J. Urban.

Manufacturers expressing confidence—or hope—that they can hold line on end-product prices despite minor component & material boosts were Zenith, Hoffman, Motorola. Sylvania merely says no change is "anticipated at this time." Philco mktg. v.p. Henry E. Bowes recently sent message to distributors urging them not to use steel strike as excuse to increase prices or relax merchandising or sales efforts. Philco anticipates no price rises.

Sales of TV sets are holding up extremely well, despite economic effects of steel strike. In our talks with 10 leading set makers last week, the answers were nearly unanimous: Despite soft spots in steel-producing markets (cited most often: Pittsburgh, West Virginia, Cleveland), sales are still exceptionally good. Some manufacturers said that even in "sagging" markets, sales are better than this time last year. Two set makers, however, suggested that some of the dealer buying today may be in anticipation of set shortage.

Sample quotes: "Overall picture very good, substantially ahead of last year" (Hoffman consumer products sales v.p. Paul E. Bryant) . . . "Sales wonderful, at capacity; in 9 months we've topped full-year 1958 sales of consumer products" (Zenith mktg. exec. v.p. Leonard C. Truesdell) . . . "Unusual play in our console TV models" (Motorola) . . . "TV-radio-phono sales running 50% ahead of last year" (Sylvania) . . . "Our TV sales are climbing nationally" (Urban, Westinghouse) . . . "TV set sales increasing across-the-board—at distributor, dealer, consumer level" (GE) . . . "Sales are still high" (Admiral) . . . "Overall picture is good" (Philco) . . . "Tremendous back-order position; we've added 360 people to our production staff since this time last year" (Sobin, Olympic).

As for steel & component shortages, most set makers still feel they're in good position till end of year or longer; a couple (Philco, Westinghouse) see pinch coming in late Nov. or early Dec. RCA's Toney, meanwhile, predicted shortages of color sets before year's end. The bottleneck: wood cabinets (see below).

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 23 (42nd week of 1959):

	Oct. 16-23	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	180,048	185,390	121,267	5,036,140	3,943,901
Total radio	459,861	447,496	310,148	12,263,854	8,600,132
auto radio	135,912	133,639	75,073	4,558,212	2,605,602

COLOR SET SALES RISE: Officials of the 2 companies now active in color TV reported sales ahead of schedule this fall, with shortages developing in certain models.

At a luncheon meeting in Cincinnati kicking off National Color TV Month, RCA Victor TV v.p. James M. Toney said color sales are running about 25% ahead of last year's rate. "Sales are going much better than we had originally projected this year—and we were optimistic in our planning," he said. "We as a manufacturer have reached the point where it is profitable to make as well as sell color TV." It was understood that cause of RCA's color TV shortage is supply of cabinets—not enough were ordered earlier to take care of growing demand for some models.

Admiral, too, reported response to its color line exceeding expectations. TV sales mgr. Ross Siragusa Jr. said sales, 2 months after introduction, are running ahead of plan, and projected figures suggest that sales will be 35% ahead of original plans by year's end. Both Toney and Siragusa credited the upsurge to increased color programming this season.

* * *

George H. Brown, RCA engineering v.p., will talk on "The Development of color TV in the U.S." at the Benelux section of IRE, the Hague, Holland, Nov. 10, and International Telecommunications Union, in Geneva Nov. 18.

Universal Controls Inc. began the construction last month of a transistor-production plant at Glen Cove, N.Y. to house operations now being carried on in a temporary building there, pres. M. Mac Schwebel told the annual meeting recently. "We will move into the new plant in early 1960 without interruption in production," he said. The Glen Cove plant, an outgrowth of N.Y.-based Universal's new special products div., will be known as C. P. Clare Transistor Corp. It takes its name from subsidiary relay-maker C. P. Clare & Co. Schwebel predicted that transistor sales will "substantially" boost Universal's annual sales, which, in fiscal period ended March 31, exceeded \$29 million.

Raytheon plans substantial additional investments in Europe and is currently surveying to determine product lines, location of production facilities and extent of new European investments, pres. Charles F. Adams said in Rome recently. Addressing a sales meeting of Raytheon distributors & licensees in 12 European countries, Adams took note of Continent's growing electronics market, predicted that Raytheon would double its sales of marine products next year. During his European trip, Adams officially dedicated Raytheon, A.G., the firm's new European manufacturing, sales and service subsidiary which is based in Zug, Switzerland.

Initial auto radio production order for 1960 cars by Stromberg-Carlson has been set at 1,150 a day.

Tunnel Diode Potential: The tunnel diode, which may bring about a small revolution in design & production of TV & FM receivers (Vol. 15:30 p16), was a major topic at the IRE electron-devices meeting last week at the Shoreham Hotel, Washington.

In the principal paper, GE's R. N. Hall pointed to the diode's potential, gave an example an FM receiver in which "a single tunnel diode performs the functions of the RF amplifier, local oscillator, mixer and first IF amplifier simultaneously. Tunnel diodes are inherently low power devices" he said. "They can be designed so as to operate on appreciably less power than transistors. This will be an important advantage in a number of applications." He concluded, however, that "the tunnel diode is not a universal replacement for vacuum tubes & transistors."

Engineers at the meeting were optimistic about the diode's TV potential. For example, Earl Thomas, Sylvania dir. of research & engineering for semi-conductors, gave us this reaction: "Very cheap, can be infinitesimally small, even the size of a pinhead, lasts forever. It makes uhf TV much more practical than ever before because it increases the range of uhf by providing an amplifier for uhf which wasn't practical before."

Also discussed at the meeting was a new thin (10-in. deep) picture tube being developed by RCA, initially for non-broadcast use. The tube, resembling an automobile wheel in diameter & thickness, is designed to improve the brightness, detail and compactness of large-screen military & commercial radar. RCA's Harold B. Law & Edward G. Ramberg stated that the tube could show standard TV pictures but at the present time would operate with about 1/4 the efficiency of conventional tubes.

Space TV came within closer range last week when GE demonstrated an electricity-producing device which, the firm said, might be used to generate power for televising pictures from a space satellite to earth. The magneto-hydrodynamic device has no moving parts, generates electricity by passing hot gasses through a cold magnetic field. GE said experiments indicate the device could develop some 5 kw of power. Initial tests produced 1 kw for 5 sec. Major problems still to be solved: reducing size & weight (GE reports it's working on a 100-lb. device vs. the 600-pounder it demonstrated); increasing heat resistance to absorb the punishing temperatures (some 5,000 degrees).

"Stereo is dragging," Magnavox pres. Frank Freimann told stockholders meeting in Fort Wayne last week, adding his voice to the consensus of other manufacturers as shown in our industry interview-survey Oct. 19 (Vol. 15:42 p17). "The buying apathy of the public for stereo is something that wasn't anticipated," he said, adding that Magnavox's stereo business was up only "some 10%." He said Magnavox's electronic organ would be in production next year.

GE is enjoined from price-fixing agreements for major appliances under terms of a civil anti-trust consent judgment drawn by the Justice Dept. against the company, its Toledo distributor Commercial Electric Co. and 9 retailers in the Toledo area. Criminal anti-trust action against the same defendants in the Toledo case was terminated in Feb., when they pleaded no defense and were fined \$19,000.

The 19 millionth Emerson radio came off the Jersey City assembly line last week, and it was presented to pres. Benjamin Abrams with appropriate ceremony. The set was the newest model introduced by the 37-year-old firm, the 9-transistor Eldorado.

PROFILE OF AN ELECTRONICS LEADER: To find out what it takes to make that heady climb to the top of the ladder, Nov. *Fortune* got the answers straight from the bosses' mouth. It questioned 1,700 top executives who boss the 500 biggest firms in 17 major industries and came up with, among other data, a profile of the appliance-electronics' chief executive.

Mr. Electronics is nearing 56, works some 54 hours a week, has been in the top spot for less than 2 years, and took 23 years in his present firm to make the trek. He fares much better financially than his counterpart in most other fields. He earns \$82,738 in an industry which ranks as the 5th best-paying for chief executives. High: metals manufacturing (\$92,647); low: insurance (\$50,658); median, \$73,584. The largest percentage (25.3%) of appliance-electronics executives earn between \$75,000-\$100,000. The smallest percentage (3.6%) earn between \$200,000-\$250,000. A gratifying 4.8% earn more than \$250,000—compared with an all-industry total of 1.8%. None earn less than \$25,000 (compared with 2% of other-industry executives who do.)

The typical electronics leader got his grounding in engineering (26% of 83 respondents did) and journeyed to the top via general administration (33% went that way). The most popular alternate route: finance. Appliance-electronics executives, *Fortune* notes, "are the most mobile of any. Every third man at the top has worked for 3 or more other companies before finally being grounded at his present one. As might be expected of a new & dynamic industry, the accent is on youth: these executives have the smallest percentage of sexagenarians and are otherwise below the average executive's age."

The electronics chief worries most about inflation & foreign competition, worries least about competition from other industries.

Other characteristics of executives in general: Nearly 80% are Republicans; almost two-thirds are college graduates; 38% were born in the Midwest, 32% in the Northeast. Nearly 70% of the top men have worked for their present firms a minimum of 20 years.

Entering closed-circuit TV equipment field, Interstate Electronics Corp., 707 E. Vermont Ave., Anaheim Cal., has announced a field-sequential color system, a high-definition b&w system and a low-level video amplifier. The company is also working on slow-scan systems and is aiming at medical as well as industrial applications. Interstate Electronics was formed as a div. of Interstate Engineering Corp. by Paul R. Reedy, now pres. of Interstate Electronics. L. Delford Fedderman is chmn., Charles T. Cossor dir. of mktg., Bryan O. Sparks gen. mgr., James J. Reeves dir. of TV development. The company employs more than 400.

Huge research & development center, bringing together all Westinghouse basic & applied research, will be constructed in Churchill, Pa., 10 miles from downtown Pittsburgh. Full occupancy of 2 new buildings is scheduled for 1961. The center will be occupied by 1750 employes and its 712,000 sq. ft. of floor space will contain 450 individual labs. In addition to the research labs, Westinghouse's materials labs, new products labs, manufacturing planning & control labs and patent dept. will occupy the new campus-type center.

Emerson has filed an appeal to the U.S. Court of Appeals from the recent federal court decision that its TV & FM sets have infringed on the late Maj. Edwin Armstrong's FM patents (Vol. 15:40 p15).

Trade Personals: Ralph Kaufman appointed Olympic sales administration mgr., succeeding Jerry LeBoyer, resigned . . . Robert L. Abel, ex-RCA mobile communications products div. mgr., appointed Tele-Dynamics Inc. communications div. sales mgr. . . Herbert C. Johnson Jr. becomes Sylvania PR dir., succeeded as public information mgr. by Robert T. Sheeran. Neil H. Johnson, ex-Sylvania ad dept., replaces Sheeran as publicity project mgr. for Sylvania Home Electronics . . . William Balderston Jr. named asst. to the TV merchandise mgr., Philco . . . W. Hubert Beal named pres. & chief executive officer, W. L. Maxson Corp., succeeding Hugo A. Leander, elected chairman; William Maxson Jr. named v.p., continuing as secy. & dir.

John H. Sidebottom named RCA defense mktg. staff administrator . . . William Levy named sales promotion mgr., Columbia Records . . . Frederick P. Ciambone named asst. gen. mgr., Stromberg-Carlson-San Diego . . . David L. Wyand named customer services mgr., Eitel-McCullough . . . Herbert J. Pyle, ex-Precision Instrument Labs v.p., appointed to new post of dir. of service, Collins Radio Cedar Rapids div. . . Howard P. Corwith, Western Union Telegraph research & engineering v.p., retires Dec. 31 after more than 43 years with the firm.

A. W. (Al) Bernsohn, NARDA exec. v.p. since 1951, has notified the NARDA board of his intention to resign next year on expiration of his contract June 30 or at an earlier mutually agreeable date, pres. Joseph Fleischaker announced last week. Bernsohn did not reveal his plans, except that he will move to the West Coast.

RCA's Emil A. Dodelin retired last week after 41 years with the firm & predecessor Victor Talking Machine Co. He supervised most of RCA's major product exhibits (Chicago World's Fair, 1933-35; N.Y. World's Fair, 1939-40), was first manager for the company's Cherry Hill (N.J.) Hall of Progress, and, most recently, served on shows & exhibits staff of PR dept.

Westinghouse has agreed to an FTC consent order forbidding it to grant dealers discriminatory prices or advertising payments in sales of some electric appliances—principally Laundromats. Settlement of the FTC complaint, issued in May 1958, did not constitute an admission by Westinghouse that it had violated any law.

GE re-enters console phono field with a new series of Musaphonic stereo units in wood-veneer cabinets with matching extension speaker systems. Housed in contemporary furniture, the consoles are available in 3 finishes, with or without an AM-FM tuner. Carrying no suggested list prices, units are due to go on sale this month.

Sylvania is using network radio to plug its 23-in. TV line. It has bought participations in *News on the Hour*, sponsorship of *Monitor Sports* 3 weekends, Army-Navy game, all on NBC radio.

Pacific Mercury Electronics has acquired controlling interest in National Automation Corp., developer of automation devices for industrial & commercial accounting applications, and automatic parking-lot toll-collection systems.

RCA Service Co. has signed a contract to augment factory & field service force of Victoreen Instrument Co.

Obituary

Walter J. Drury, 77, former v.p. & a dir. of the Graybar Electric Co., died Oct. 26 of a heart ailment at his home in N.Y. He is survived by his wife and a sister.

Magnavox has received a \$9 million order from the West German Republic for communications systems. The award increases Magnavox's backlog of military & industrial products to a record \$65 million. Magnavox v.p. and govt. & electronics div. gen. mgr. Gen. George Smith said the Fort Wayne firm is West Germany's largest supplier of military electronic equipment. Pres. Frank Freimann pointed out that Magnavox is aggressively developing the European market, anticipates a substantial increase in annual volume resulting from foreign business.

Fairchild Camera & Instrument Corp. will exercise its option to acquire the common stock (held by 11 persons) of Cal. silicon-transistor maker Fairchild Semiconductor Corp., John Carter, pres. of the former, announced last month. There will be an exchange of 19,901 shares of Fairchild Camera stock. Carter said production facilities of the Cal. firm will be increased from 68,000 to 183,000-sq.-ft., and that by the end of 1960, employment will increase to 2,000 from some 700 at the present time.

Intensified semiconductor activities by Minneapolis-Honeywell and Controls Co. of America were announced recently. M-H will erect a \$1 million 40,000-sq.-ft. semiconductor research & development center at Riviera Beach, Fla., for occupancy early next summer. Pres. Paul B. Wishart said the production of M-H's transistor line will continue at Minneapolis. Controls Co. of America established a new subsidiary, Solid State Electronic Controls Inc., with plant & HQ at Tempe, Ariz., to make semiconductor devices.

Ro-Nard Inc., N.Y. firm, its sole employee, Mrs. Lily S.S. Wolfenson, and Alberto Azar, Montevideo, Uruguay, have been temporarily denied all U.S. export privileges for allegedly smuggling strategic electronic equipment out of the U.S. The Commerce Dept.'s Bureau of Foreign Commerce said it believes that Azar buys electronic equipment and delivers it to Mrs. Wolfenson, and that she turns it over to a 3rd party who takes it out of the country, presumably as personal effects.

Turbo Dynamics has arranged tentatively to buy Tech Ohm Resistor Corp. and its wholly owned Cima Corp. subsidiary for approximately 250,000 of TD common stock. TD pres. J. A. Garcia said the purchase would "give us a complete line of resistors and complete national sales coverage," but noted that the transaction depends upon the outcome of negotiations to purchase 2 other resistor firms, "one in the west, one in the Philadelphia area."

False price claims for phono needles are alleged in an FTC advertising complaint against Recoton Corp., Long Island City, and N.Y. retailer G. Schirmer Inc. The FTC said "regular retail prices" of Recoton's diamond-needle & combination diamond-sapphire needle were misrepresented by the firms, which also are charged with failing to "clearly or conspicuously" disclose that an "unconditional lifetime guarantee" had "conditions & limitations."

Automatic test machine which performs 26 tests on a TV picture tube at the rate of 600 tubes per hour has been installed by RCA at its Marion, Ind. production plant. Entertainment tube-products dept. mgr. J. B. Farese explained that "electrical limits for the tube under test are built into test circuits of the new machine. Picture tubes are passed or rejected according to these limits."

Moving deeper into radio business, Columbia Phonograph dept. is offering a German-made "convertible" transistor radio. The small 6-transistor pocket radio may be slipped into a larger cabinet with a 5-in. oval speaker for use as a table model.

Finance

SET MAKER PROFITS UP: Sales & earnings of companies in the TV-radio-phono business continued their climb in the 3rd quarter, and every manufacturer who has reported to date has shown healthy increases for both the latest 3-month and full 9-month periods. Topped by Motorola's all-time high sales & profits in both periods, 4 more manufacturers reported increases last week—Philco, Admiral, Westinghouse & Magnavox (below). In previous weeks, good Sept. 30 quarter & 9-month statements have come from RCA, Hoffman, Siegler (Vol. 15:43 p18) and GE (Vol. 15:42 p20).

Motorola reported record sales & earnings for both the 3rd quarter & the first 9 months of 1959. The company's previous record highs: Third-quarter sales, 1956, totaling \$60,887,948; third-quarter profits, 1950, at \$2,865,576 (\$1.48 a share); 9-month sales, 1957, at \$166 million; 9-month earnings, 1950, at \$8 million (\$4.17 a share). Chairman Paul V. Galvin said Motorola's unit TV sales were up 35% over last year's 9-month period, while in stereo "Motorola retained first position and sold over 30% of industry unit volume in the higher profit model categories." Communications products & semiconductors continued to show increased volume. The income report does not include operations of recently-acquired Dahlberg Co., hearing-aid manufacturer. For 9 months to Sept. 30:

	1959	1958
Net sales	\$206,012,733	\$137,162,983
Net income	9,485,024	3,217,726
Earned per share	4.90	1.66
Shares outstanding	1,935,131	1,935,131
For 3 months ended Sept. 30:		
Net sales	\$77,145,487	\$52,618,421
Net income	3,598,653	1,739,429
Earned per share	1.86	90¢

Philco reported 3rd-quarter earnings 12% above the comparable 1958 figure on a 6.5% sales increase. Nine-month gains were strong, share earnings going from 1¢ in 1958 to \$1 in 1959. Pres. James M. Skinner said both consumer & govt. sales increased in the 3- & 9-month periods. All divisions reported profitable operations for both periods despite "substantially higher expenditures for engineering & development programs" in the computer & transistor fields. For 9 months ended Sept. 30:

	1959	1958
Sales	\$283,516,000	\$245,820,000
Net income	4,373,000	332,000
Earned per share	1.00	1¢
Shares outstanding	4,074,866	3,989,833
For 3 months ended Sept. 30:		
Sales	\$102,171,000	\$95,925,000
Net income	1,987,000	1,774,000
Earned per share	46¢	41¢

Admiral's 9-month sales & earnings were substantially higher this year than last. Pres. Ross D. Siragusa said demand is high for all of the company's products and that 4th-quarter sales should be greater than last year, despite the steel-strike situation. He revealed that current production of the new 7-transistor all-American-made pocket radio now exceeds 1,000 a day as a result of its "enthusiastic reception." The 3rd-quarter income statement was not released. For 9 months ended Sept. 30:

	1959	1958
Sales	\$145,849,148	\$123,529,953
Net income	2,371,376	947,254
Earned per share	99¢	40¢

Magnavox reported at a stockholders meeting last week that its consolidated sales & earnings for the first fiscal quarter ended Sept. 30 both established new records. All divisions contributed to the increase. Stockholders approved a 2-for-1 split and an increase in authorized common stock to 3.5 million from 2 million shares. For 3 months ended Sept. 30:

	1959	1958
Sales	\$25,661,000	\$17,372,000
Net income	1,244,000	722,000
Earned per share	1.06	61¢
Shares outstanding (1959)	1,174,186	1,174,186

Westinghouse's substantial increase in 9-month earnings on a lesser boost in sales and its record-making 3rd-quarter profit, the results of a cost-control program, have made possible an increase in the annual dividend rate to \$2.40 from \$2, the company announced. Stockholders will be asked to approve a 2-for-1 stock split at a special meeting Jan. 4 in Pittsburgh. The company's quarterly report said that consumer products and air-conditioning equipment paced the 3rd-quarter sales gains, all products except heavy apparatus showing increases. For 9 months ended Sept. 30:

	1959	1958
Net sales	\$1,408,393,000	\$1,384,499,000
Net income	56,225,000	49,011,000
Earned per share	3.17	2.79
Shares outstanding ..	17,315,731	17,070,543
For 3 months ended Sept. 30:		
Net sales	\$494,189,000	\$460,538,000
Net income	22,075,000	19,038,000
Earned per share	1.25	1.09

Hoffman Electronics Corp., whose 9-month income statement was printed last week (Vol. 15:43 p18), reports increased sales & earnings for 3 months ended Sept. 30:

	1959	1958
Net sales	\$11,915,968	\$9,425,243
Net earnings	453,661	417,216
Earned per share	30¢	28¢
Shares outstanding	1,506,322	1,476,756

Harman-Kardon Inc. reports a net income of \$29,789 (7¢ a share) for the quarter ended Sept. 30. The hi-fi equipment maker had a loss of \$8,924 in same '58 quarter.

Muter Co. earned \$237,211 (30¢ a share) in the 9 months ended Sept. 30, compared with \$189,801 (24¢) in the year-ago period.

Cohu Electronics reports a net income of \$674,968 (48¢ a share) for the 9 months to Sept. 30. A 1958 comparison is not available.

Collins Radio has submitted an SEC registration statement (File 2-15721) for 155,740 common-stock shares in its stock-option plan for executives & other key employees.

American Bosch Arma had a net income of \$3,019,437 (\$1.57 a share) for the 9 months ended Sept. 30, up markedly from \$2,414,965 (\$1.26) in the year-ago period.

Beckman Instruments has filed an SEC registration (File 2-15639) for 117,559 common stock shares to be issued under the company's restricted stock option plan.

Hoffman Electronics seeks SEC registration (File 2-15640) of 12,808 common stock shares and \$375,000 interests in its employe thrift plan.

Westinghouse Electric Corp. has applied for listing & registration of its common stock on the Pacific Coast Stock Exchange, anticipates an effective date of Nov. 23.

RCA has asked the SEC (file 2-15703) to register 400,000 common stock shares under its stock option plans.

Broadcasting Profits Up: Four entities in TV-radio broadcast field, whose stock is publicly held, reported good increases in net earnings in latest quarterly announcements last week—AB-PT, Metropolitan, Taft, Meredith (for Storer report, see Vol. 15:43 p 19).

American Bestg.-Paramount Theatres last week reported that its estimated net operating profit for the first 9 months was 26% higher than in the same 1958 period. Third-quarter results of the company's theater, record and broadcasting activities were higher than the same 1958 period, pres. Leonard H. Goldenson told stockholders in the quarterly report. For 9 months ended Sept. 30:

	1959	1958
Net operating profit	\$5,226,000	\$4,142,000
Net capital gains	181,000	250,000
Consolidated earnings ..	5,407,000	4,392,000
Earned per share	1.26	1.00
Shares outstanding	4,149,362	4,149,363
For 3 months ended Sept. 30:		
Net operating profit	\$1,340,000	\$1,100,000
Net capital gains	182,000	27,000
Earned per share	32¢	25¢

Metropolitan Bestg. Corp. (WNEW-TV & WNEW N.Y., WTTG Washington, radio WHK Cleveland, buyers of WTVH Peoria & radio WIP Philadelphia subject to FCC approval) reports for 39 weeks to Oct. 4:

	1959	1958
Net income	\$1,197,097	\$219,394
Earned per share	77¢	14¢
For 13 weeks ended Oct. 4:		
Net income (loss in '58) .	\$192,845	(\$86,800)
Earned per share	12¢	—

Taft Bestg. Co. (WKRC-TV & WKRC Cincinnati, WTVN-TV & WTVN Columbus, WBRC-TV & WBRC Birmingham, Ala., WKYT Lexington, Ky., 30% of WBIR-TV & WBIR Knoxville) reports for 6 months ended Sept. 30:

	1959	1958
Net income	\$643,000	\$447,000
Earned per share	44¢	31¢
For 3 months to Sept. 30:		
Net income	\$248,000	\$148,000
Earned per share	17¢	10¢

Meredith Publishing Co. (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, *Better Homes & Gardens, Successful Farming*) reports for 3 months to Sept. 30:

	1959	1958
Net income	\$1,264,106	\$786,899
Earned per share	97¢	61¢

Warner Bros. Pictures Inc. reported that its net income for the year ended Aug. 31 was the best since the movie-production firm was separated from theater operations in March, 1953. Pres. Jack L. Warner attributed much of the improvement to increasing production of films for TV. The fiscal-1959 performance showed that the film firm's profits topped the \$17.4 million of fiscal 1956, which included \$15.3 million from the sale of old films to TV. For fiscal 1958, the company lost more than \$1 million.

Republic Pictures net income declined sharply to \$675,-678 (19¢ a share) for the 39 weeks to July 25, compared with \$1,296,065 (50¢) for the year-ago period.

Reports & comments available: Magnavox, report, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . Twentieth Century-Fox, memo, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . Texas Instruments and Electro Instruments, comments, Bache & Co., 36 Wall St., N.Y. 5.

Thompson Ramo Wooldridge reports reduced earnings on sharply increased sales for the 3rd quarter ended Sept. 30. However, for the 9 months to that date, both sales & earnings ran well ahead of those for the same 1958 period. Chmn. J. D. Wright & pres. D. E. Wooldridge attributed the 3rd-quarter imbalance of sales & profits to heavy spending for engineering & development activities, and opening new markets in the electronics & missile fields. They anticipate that final 1959 sales will reach \$400 million, compared with last year's \$341 million. For the quarter ended Sept. 30:

	1959	1958
Sales	\$100,139,942	\$81,692,302
Net income	1,642,397	1,817,471
Earned per share	51¢	47¢
Shares outstanding (1959)	3,032,343	3,032,343
For 9 months ended Sept. 30:		
Sales	\$297,367,074	\$251,429,578
Net income	6,395,304	5,769,161
Earned per share	2.03	1.82

Telechrome Mfg. Corp. reports record sales but lower net income for the year ended June 30 as compared with fiscal 1958. As of June 30, the company's total assets were \$1,658,355 vs. \$1,010,293 a year earlier; net current assets were \$345,351 vs. \$473,715; unfilled order backlog \$660,135 vs. \$558,088. Pres. J. Raymond Popkin-Clurman told stockholders that profits would have been higher than last year had not the company felt "it is more prudent to use a larger-than-normal portion of our earnings for expansion." Reinvested earnings amounted to \$2.41 per share. Telechrome has purchased an option to acquire 50% interest in Hammarlund Mfg. Co., N.Y. manufacturer of communication radios & control equipment (Vol. 15:30 p19). For the year ended June 30:

	1959	1958
Net sales	\$1,641,194	\$1,352,316
Net income	54,768	175,660
Earned per share	19¢	65¢
Shares outstanding	288,251	269,800

Daystrom earnings for the 6 months & 2nd quarter ended Sept. 30 were more than double those for the corresponding 1958 periods, pres. Thomas R. Jones reported last week. The Murray Hill (N.J.) electronics manufacturer noted that "new business bookings are strong and the rate of billings indicates that we may exceed our earlier forecast of approximately \$85 million in sales for this fiscal year." For the 2nd quarter ended Sept. 30:

	1959	1958
Sales	\$20,111,000	\$16,989,000
Net income	440,000	210,000
Earned per share	48¢	23¢
Shares outstanding	914,013	907,468
For 6 months ended Sept. 30:		
Sales	\$41,350,000	\$35,800,000
Net income	802,000	369,999
Earned per share	88¢	41¢

Oak Mfg. Co. profits for the 3rd quarter increased 6% to \$233,502 on sales which increased moderately to \$4,308,-182 from 3rd-quarter 1958's \$3,951,869 volume. The Chicago-based components maker also reported a backlog one-third higher than that of a year ago and substantial gains gained slightly, in the quarter ended Sept. 30:

	1959	1958
Sales	\$13,458,098	\$11,029,766
Profits	733,106	359,736
Earned per share	1.12	55¢
Shares outstanding	655,894	655,894

Beckman Instruments Inc. sales advanced, and earnings gained slightly, in the quarter ended Sept. 30.

	1959	1958
Sales	\$12,638,315	\$10,212,444
Net income	622,516	619,483
Earned per share	46¢	45¢

Arvin Industries netted "excellent gains" in sales & earnings for the 9 months ended Sept. 30, paced by a 40% increase in sales of radios & phonos and automotive and other consumer products, pres. Glenn W. Thompson told the N.Y. Society of Security Analysts last week. Estimated earnings for the 3rd quarter totaled \$600,000 (50¢ a share) compared with 3rd-quarter 1958 earnings of \$278,777 (31¢). For the 9 months, net profit is estimated at \$1.7 million (\$1.50) vs. \$569,536 (63¢) for the same 1958 period. Thompson forecast total 1959 sales of \$70 million, compared with 1958's \$54 million, and envisioned a record volume in 1960, in excess of \$75 million. He noted that "it seems likely that 1959 will be Arvin's largest year in radio dollar & unit volume," and announced that the firm will introduce in Dec. a new transistorized portable radio line, "competitive with foreign imports" and priced from \$30-\$100.

Merger of Consolidated Electrodynamics with Bell & Howell has been approved in principle by the directors of both companies. The tentative agreement, subject to stockholder approval, provides that Bell & Howell would distribute 3 additional common shares for each 4 Bell & Howell shares now held, and Consolidated stockholders would receive one share of Bell & Howell in exchange for each share of Consolidated. Consolidated makes electronic instruments & test equipment. Bell & Howell manufactures motion-picture & photographic equipment, audio-visual devices and mailing machines. Consolidated's sales for 1958 totaled \$32 million, Bell & Howell's \$59 million. Consolidated employs about 8,000, Bell & Howell 4,000.

Stock-trading rules are being violated by some over-the-counter dealers in securities of some small, little-known companies in electronics, missiles and related defense fields, according to a preliminary SEC staff report. Naming no names of firms involved in an SEC investigation of "hot issues," the report says stock of the companies has been distributed by the use of sales techniques which restrict the supply to the public and cause prices to go up.

Harman-Kardon Inc., Westbury, N.Y. hi-fi amplifier maker, has applied for SEC registration (File 2-15758) of \$600,000 of 6½% subordinated convertible debentures due Dec. 1969 and 80,000 common stock shares for public sale. Milton D. Blauner & Co. Inc. is the principal underwriter for the sales, in which the common shares would be offered by Harman-Kardon pres. Sidney Harman, who owns about 52% of 455,000 shares outstanding. Part of the proceeds would be used to pay \$200,000 in bank loans.

Electronics Capital Corp., the San Diego-based closed-end management investment company headed by Charles E. Salik (Vol. 15:18 p24, 15:24 p24), will provide \$1 million of long-term capital for Potter Instrument Co., manufacturer of digital tape recorders & related devices. Electronics Capital Corp. will purchase \$750,000 of Potter 10-year convertible debentures. Under the agreement, Potter may borrow \$250,000 more for additional working capital.

Sylvania's proposed issue of \$25 million debentures (Vol. 15:39 p19) has been rescheduled for probable market introduction this week. Indications are that the issue, to mature in 1984, will carry a 5½% coupon. Paine, Webber, Jackson & Curtis and Halsey, Stuart & Co. Inc. have been named as managing underwriters for the debentures.

Ling-Altec Electronics scored a net income of \$612,000 (41¢ a share) on sales of \$17,668,000 for the quarter ended Sept. 30. For the 9 months ended that date, net income was \$1,331,000 (93¢) on \$28,997,000 sales. No 1958 comparisons are available. Chmn. James J. Ling also reported that Ling-Altec's backlog of orders tops \$55 million.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Con. Electrodynamics.	Q	\$0.10	Dec. 15	Nov. 27
Desilu	Q	.15	Nov. 27	Nov. 13
Electronics Invest. ...	—	.03	Nov. 30	Nov. 2
Mallory (P.R.)	Q	.35	Dec. 10	Nov. 16
Mallory (P.R.)	Stk.	2%	Dec. 21	Nov. 16
Magnavox (new)	—	.25	Dec. 15	Nov. 25
Siegler	—	.10	Dec. 1	Nov. 13
Stanley Warner	Q	.30	Nov. 25	Nov. 10
Taft Bestg.	—	.10	Dec. 15	Nov. 15
Tung-Sol	Q	.35	Dec. 2	Nov. 12
Westinghouse	—	.60	Dec. 1	Nov. 9

Howard W. Sams & Co., the Indianapolis publishing, electronics-research & engineering firm, reported increases in sales & profit for the 13th consecutive year in its annual statement for the fiscal year ended June 30. The income statement of the company and its subsidiary Bobbs-Merrill Co. for the year to June 30:

	1959	1958
Net sales	\$5,233,640	\$4,455,716
Net profit	253,391	210,171
Earned per share	2.03	1.67
Shares outstanding	120,000	120,000

Indiana Steel Products Co., whose name changes Nov. 16 to Indiana General Corp. when it consummates its merger with General Ceramics Corp. (Vol. 15:40 p8), reports net income of \$774,876 (\$2.21 on 350,091 shares) for 9 months ended Sept. 30, compared with \$306,463 (\$1.05 on 293,298) for the same 1958 period. Stockholders approved the merger at a special meeting Oct. 16.

Eitel-McCullough has asked SEC to register \$5 million of convertible subordinated debentures which will be offered for public sale by an underwriting group headed by Schwabacher & Co., San Francisco. The San Carlos, Cal. producer of power tubes & electronic products said that the proceeds will be used to retire bank loans, to finance construction, and to provide working capital.

Granco Products Inc. reportedly increased sales to \$825,000 and earnings to 5¢ a share during the first fiscal quarter ended Sept. 30, compared with sales of \$530,000 and earnings of 3¢ during the year-ago quarter. Sales for the year ending June 30, 1960 are forecast at \$4 million, up from fiscal 1959's \$3 million. Granco production is believed double that of a year ago, as the firm pushes to reduce a record backlog of unfilled orders for its FM radios.

Zenith's employe profit-sharing fund has multiplied some 24 times in the past decade to a current evaluation of \$33 million, reports *Profit Sharing Trends* magazine. The fund's growth is based on contributions from company profits and on earnings from fund investments. Zenith's profit-sharing fund is also the firm's largest stockholder—holding more than 200,000 shares (an average of 20 per employe) which represent about 50% of the fund's holdings.

Martin Co., Baltimore aircraft-missile-electronics firm, has purchased "in excess of 10%" of General Precision Equipment Corp.'s outstanding common stock and of its latest series of preference stock, Martin chmn. pres. George M. Bunker said this week. GPE management last year rejected a merger plan proposed by Martin.

Tung-Sol Electric sales & earnings gained sharply in the 39 weeks to Sept. 26:

	1959	1958
Sales	\$53,088,110	\$43,002,356
Net income	2,109,654	1,768,922
Earned per share	2.10	1.76

Hoffman's annual report was judged to be the best in the electronics industry this year in the 19th annual survey by *Financial World* magazine.

Educational Television

Electronics Upgrades Education: Modern electronics is the key to a "massive upgrading in the quality of education," and tools already available open the way to an immediate advance "comparable to that made possible by the invention of the printing press in the 15th century," RCA pres. John L. Burns told the NAEB convention in Detroit last week.

He said the advance will require broader scope in the concept & application of educational electronics and a teaming of the teaching-broadcasting-graphic arts; outlined a 6-point program for improving education's quality. He suggested an ETV library of lectures by distinguished teachers, establishment of research-and-development funds by states and/or localities to further experiments.

"Because of the critical problems faced by education in general," Burns said, "there is an overriding need for still greater pioneering effort. In this, the educational broadcasters have a beckoning opportunity for leadership."

Other convention speakers included AFL-CIO v.p. Walter Reuther and Gilbert Seldes, dir., the Annenberg School of Communications. Professional papers read at the sessions covered TV & radio research, music programming, staging and lighting engineering developments, closed-circuit TV, low-cost production, stereo recording, publicity & public relations, "preparing the faculty for TV."

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Stratovision-ETV Specifics: Technical details of the massive \$7-million Midwestern educational TV experiment with airborne uhf TV transmitters (Vol. 15:42 p3) were disclosed last week when Purdue U. filed the application with FCC for the Midwest Council on Airborne TV Instruction (MCATI).

The experimenters plan to transmit on Ch. 72 & 78 for standard TV signals, Ch. 75 & 76 for narrow-band (3-mc, exact frequencies to be specified later). All airborne transmitters will be 12 kw, each feeding into a separate omnidirectional antenna. Signals will be sent to the plane from Purdue by 12-kw transmitters (28.2 kw ERP)—Ch. 41 & 47 for standard transmissions, Ch. 53 & 59 for narrow-band. Of the hundreds of schools to participate in the test, 10 will have special narrow-band receivers.

Two DC-7 planes will be used, one of them as a standby. The transmitting plane will travel in a 10-mile-radius circle, 23,000 ft. above Montpelier, Ind., 140 miles from the Purdue campus at Lafayette, Ind.

A major aspect of the whole program is spectrum conservation. As discussed by engineers A. Earl Cullum Jr. & Thomas A. Wright Jr., who prepared the application: "The broadcast of 6 programs on separate standard 6-mc TV channels would require the use of a total of 36 mc of spectrum space by each facility and might preclude the use of additional spectrum space in nearby areas because of the various problems of interference. Complete coverage of the country could be achieved with 3 groups of 6 channels each, or a total of 108 mc of frequency spectrum. A fundamental part of the proposed experiment would be to determine means of reducing the spectrum requirements and of estimating the over-all requirements. It is hoped the requirement will be less than half that indicated above."

Legal work on the application was handled by Percy Russell, of Kirkland, Ellis, Hodson, Chaffetz & Masters.

Adler Files ETV Plan: Ben Adler's Adler Electronics Inc. has called on the FCC to change its rules on TV translator operation "to permit the development of multi-channel educational TV broadcast systems & ETV networks" through more use of uhf frequencies.

The New Rochelle, N.Y. manufacturer of transmitters, translators and microwave relay equipment said in its petition that "maximum benefits from the uhf frequencies" could be obtained for ETV by (1) Local origination as well as off-air pickups by translators. (2) Additional ETV translator channels. (3) Mileage separation on a non-interference basis. (4) Waiver of duopoly requirements.

"These rules will enable a number of educational groups to carry out their plans for low cost on-air stations to serve both schools & homes," Adler argued. FCC already has waived 2 sections of its existing regulations in translator grants to the U. of Utah for on-campus originations.

National ETV & Radio Center affiliates, meeting in N.Y. Oct. 24-26, were told of plans for installation of a 5-machine video-tape duplicating center in Ann Arbor, Mich. to facilitate exchange programming between affiliates. At least 30 of the center's 42 affiliates will be able to program tape shows by Feb. 1960, pres. John F. White told the meeting. Tape will enable the center to organize & produce timely programs, such as 1960 convention roundups, while they are still news, said White. The outlook for addition of a uhf station in Washington, D.C., as a Center affiliate, is hopeful, he also reported.

Ampex's 500th production-model Videotape recorder went last week to educational WENH-TV Durham, N.H.

WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Congress

HARRIS HUNTS NEW TV-RADIO PAYDIRT in "payola" practices, following sensational quiz hearing windup. Kintner & Stanton pledge program reforms (pp. 1, 4 & 5).

Advertising

FTC CHIEF'S HIGH HOPES for TV self-control remain undisturbed, while his stepped-up anti-deception program brings "camera trickery" charge against auto-glass commercials (p. 2).

BIG AD YEAR AHEAD as top advertisers plan 10% budget increases in 1960, ANA survey shows as annual meeting gets underway Nov. 8 in Hot Springs, Va. (p. 9).

FULL HOUSE ON BOURBON ST. AGAIN, as Brown & Williamson moves into "Bourbon St. Beat" to replace exiting P. Lorillard on ABC-TV; no "program contributions" made on the show, says the network (p. 9).

BRITISH BEACHHEAD IN U.S. ADVERTISING market is being formed by London's Associated-Rediffusion, which has hired McCann-Erickson as its ad agency and is selecting an American station rep (p. 9).

Film & Tape

HOLLYWOOD BLUES: Producers say they're caught in the middle as sponsors demand more quality, and production costs rise steadily (pp 4 & 14).

FCC

FCC'S NETWORK REP DECISION says networks are in position to restrain competition with spot TV, and curb stations' freedom to operate, must therefore drop non-o&o clients (p. 10).

Manufacturing & Distribution

NEW LOOK AT COLOR finds no groundswell, despite good reports from RCA & Admiral. Already burned once, other set makers prefer to stay in black-&-white only (p. 3).

PAUL V. GALVIN, electronics pioneer, founder & chmn. of Motorola, mourned as one of best-loved & most effective leaders of industry (pp. 17 & 19).

TV COMPONENTS PLENTIFUL INTO '60: Our discussions with 7 leaders disclose no component shortages, and more concern with impending shortages in orders than with dwindling steel (p. 17).

Programming

QUIZ ANGLES OUTSIDE WASHINGTON continue to multiply—in New York, Evanston, Ill., Stockton, Cal., Stamford, Conn., Allentown, Pa.—and everywhere else (p. 7).

VANISHING MARKET FOR FEATURES is seen by N.Y. station execs if Hollywood doesn't move post-'48s before stations find other ways to fill feature gap (p. 8).

Stations

HAUSMAN OUTLINES PHILOSOPHY of TIO under his administration: Admit errors, correct them, inform public, defend industry contributions. Petersmeyer urges increased public service (p. 11).

Other Departments

PERSONALS (p. 13). **FINANCE** (p. 21). **ETV** (p. 23). **FOREIGN** (p. 23). **AUXILIARY SERVICES** (p. 24).

HARRIS HUNTS NEW TV-RADIO PAYDIRT: House TV scandal probers, who uncovered sensations in quiz hearings which ended last week (see pp. 4, 5 & 7), moved promptly on to another broadcasting field which promises more industry-embarrassing headlines—"payola."

"Other practices in TV also deserve scrutiny," Commerce legislative oversight subcommittee Chmn. Harris (D-Ark.) said, announcing windup of quiz probe and start of broad new inquiry by his staff. He didn't specify precisely what practices he had in mind. But others on subcommittee confirmed earlier reports (Vol. 15:44 p2) that one of them is payola to dictate what music is heard on air.

Allegations of music bribery already are in subcommittee's record, supported by 12-page document submitted by American Guild of Authors & Composers. "There is no doubt," Guild pres. Burton Lane wrote oversighters' counsel Robert W. Lishman, "that commercial bribery has become a prime factor in determining what music is played on many broadcast programs and what musical records the public is surreptitiously induced to buy." Lane said FCC & FTC have ignored "scandalous facts" reported by trade press.

"Deception equally strong" as that exposed in quiz hearings can be found in investigation of music payoffs, Rep. Moss (D-Cal.) observed. No date for any public hearings in this TV-radio area of Congressional suspicion was set by subcommittee. But new probe is expected to cover not only payola but reported pay-offs

for advertising plugs on programs—which may include plugs for resorts, airlines, hotels and perfumes. For one thing, subcommittee hasn't yet finished with curious case of Allentown (Pa.) store owner Max Hess and his claims that he bought mentions on defunct \$64,000 Question—and other shows still on air.

"Miserable & deplorable" was way CBS Inc. pres. Frank Stanton described pay-off practice when he was asked about it at quiz session last week. "It probably exists to some extent in the industry," he conceded. "It's very hard to police."

Subcommittee has no known legislative plans to try to write law banning payola in any of its varied forms. Internal Revenue Service is sure to be working with subcommittee to enforce one law already on books, however. IRS agents were in constant attendance at quiz hearings to pick up leads on unreported income of fixed contestants. They'll be even more keenly interested in evidence of how payola works.

FTC CHIEF'S HIGH HOPES FOR TV SELF-CONTROL: Federal Trade Commission Chmm. Earl W. Kintner is personally, as well as officially, disturbed by impact of many TV programs & commercials. There are very few programs, he told us last week, which he & his wife will permit his 3- and 16-year-old sons to watch.

Couple these personal feelings with his official duties, with the fierce grilling he received from Rep. Harris' subcommittee, and with attention directed to FTC's "anti-deception" activities by President Eisenhower—who appointed Kintner and made him chairman—and you don't wonder that the FTC chief is zealous.

Hence the stepped-up FTC drive to clean up spurious commercials (Vol. 15:44 p12), which brought a formal complaint last week against Libby-Owens-Ford Glass Co. and General Motors for using "camera trickery" in TV commercials to sell L-O-F auto side-window glass against competitors'.

But Kintner is still set against more restrictive laws, still favors industry self-policing—in fact believes TV-radio commercials have improved. "On the whole" he said, "radio & TV ads are probably better than they were 2 or 3 years ago, through the voluntary efforts of the industry. But a gradual process is not enough. We need more than an average response from the industry. If I were the industry, I would be taking desperate measures to restore public confidence. I applaud the measures taken to date. I think that Stanton and Fellows have displayed real statesmanship. I'm very hopeful of improvement. I don't like to see any segment of industry suffer from the questionable activities of a few. I don't believe in too much govt. regulation. I'm a firm believer in capitalism, and I believe that businessmen have enough genius to police themselves."

Control over deceptive programs, as distinguished from commercials, is beyond FTC's legal powers, according to Kintner. But at least one student of trade practices disagrees. Prof. S. Chesterfield Oppenheim, U. of Mich. law school, offers this concept: All sponsored programs are designed to sell products. Programs compete with each other and with other media. When quizzes are fixed, the public is misled in evaluating true nature of the program. Classifying quizzes as "entertainment" makes no difference from legal standpoint, he said, if misleading practices are present. But he believes industry self-regulation should be tried before FTC is called upon to police programs.

Examples of "camera trickery" by L-O-F and GM were given FTC in its complaint: "In one filmed sequence, different camera lenses were used, resulting in an inaccurate demonstration of the comparative distortion; and in another, the picture purportedly taken through plate glass was actually taken through an open window, i.e., with the window rolled down."

L-O-F quickly disputed the charges, denied that its advertising was "in any way false or misleading or that it rested upon camera trickery or deceptive photographic techniques." It said that competitors instigated the complaints. GM declined to comment.

Another reason why FTC will move faster hereafter is that its TV-radio chief Charles A. Sweeny returned to his desk last week after 2 months sick leave. In addition, FTC's field offices will be increased from 9 to 10 with addition of Boston Dec. 1, under veteran FTC attorney Robert R. Sills. Other 9 offices, where staff has been ordered to intensify monitoring of non-network shows: Atlanta, Chicago, Cleveland, Kansas City, New Orleans, N.Y., San Francisco, Seattle, Washington.

Sweeny said that lack of manpower is all that prevents FTC from issuing complaints at a faster clip. He said that pending complaints aren't concentrated on any particular class or classes of products or geographical areas. Network commercials get closer attention than local because of their great audiences, he said. He believes that networks are glad to point to FTC crackdowns in order to reject objectionable commercials.

NAB Code Board chief Donald McGannon, of Westinghouse Stations, conferred with Kintner in Washington last week, offered Board's cooperation. Kintner accepted gladly, telling us, "I was impressed with his sincerity." A continuous liaison was established—between NAB's dir. of TV code affairs Edward Bronson & FTC's TV-radio chief Charles A. Sweeny. Kintner gave the following as an example of what the co-operators might do: "We intend to explore, with McGannon's group, the possibility of voluntarily taking off the air medical claims which our medical experts unanimously agree are false but which would take long & expensive testing to prove."

Kintner said most of the complaints about exaggerated claims received from the public are about "remedies"—for headaches, obesity, vitamin deficiency, etc. Other common complaints cover soaps, tooth-pastes, odor-killers—with "miracle" ingredients. These are being investigated by FTC staff. They're in addition to a great volume of complaints about commercials which are "distasteful." FTC has no jurisdiction over these, can only exhort industry to drop them.

NEW LOOK AT COLOR—BUT SAME OLD STORY: There's more color-TV programming on the air than ever before, both network & local. The 2 manufacturers active in color-set sales—RCA & Admiral—report orders in excess of expectations, and, in some cases, in excess of supply (Vol. 15:44 p8). RCA, finally making profit on color-TV production, reports sales 25% ahead of last year.

In this apparently rosy-hued picture, what are prospects for all-out color push by TV manufacturing industry next year? Answer: Nil.

"Once burned—twice shy" seems to sum up feeling of set manufacturers with regard to color. No major set maker has anything to show for its color research-development and/or manufacturing-sales activities of the mid-1950's except red ink—although none of them has a color investment even approaching the magnitude of RCA's.

But there's another reason why manufacturer interest in color is at its lowest ebb: Black-&-white TV sales are excellent; radio is hot; stereo is doing OK, although not quite up to expectations. "Right now we need a new—and unprofitable—product like we need a hole in the head" is essence of comments of majority of major manufacturers with whom we discussed subject last week.

"We'll go into it when we're sure it can be profitable for manufacturer, distributor & dealer." This also seems to be party-line, and no manufacturer can see this situation on the horizon. We found a great willingness—even eagerness—to pay tribute to RCA's tenacity. Most manufacturers still think color will some day be important profitable business and that RCA will succeed in putting it over. Some told us they thought a concerted all-manufacturer campaign could do it much quicker—but nobody is disposed to go through the period of heavy losses involved. "RCA & Admiral might be able to make money, but there isn't room for everybody," was the way one set maker phrased it.

Lingering memories of losses on color are still a sharp reminder to most manufacturers. Emerson, which probably was turning out color sets longer than any firm except RCA, discontinued color production just a couple of months ago. Pres. Benjamin Abrams said Emerson had made 4,000 to 5,000 sets since June 1955, losing \$3 to \$4 million on its color investment. "We just decided to stop losing money," he told us. "You can sell color sets right now—below cost. Color will catch on when a set can be sold for less than \$500 with a legitimate profit, and if color programs continue to improve."

Motorola says it produced more than 10,000 color sets over a 3-year period, losing plenty on the deal, and detects no new "groundswell." The company says it will go back into color when a set can be made at a price comparable to b&w or a strong enough market is apparent for sets in \$500-\$600 range.

Lack of marketing information was blamed by another manufacturer, whose spokesman preferred to speak anonymously. This firm made about 3,500 color sets in the mid-'50's, and its spokesman said: "If RCA began telling the industry, through EIA's market statistics dept., what the color business is about, what the attainable volume is, manufacturer interest would be awakened. We know the size of TV, of hi fi, of the radio business. On the basis of past history, nothing could prompt us to go back into color now. There are more interesting & profitable paths to pursue."

Zenith, Sylvania and others also state they will go into color when there's some assurance of profit in it—and they can't see it coming.

"We'll enter the color business when the total volume is capable of supporting more than one or two manufacturers," says Westinghouse mktg. mgr. C. J. Urban. "We probably lost as much on color as anybody except RCA. Color is a fringe right now, a small thing—b&w, radio & stereo are better & surer. When we go back into color, we'll do it right—a full line, with price step-ups. That's the only way to do it. When? Certainly not for some time."

Greyish view of color at the moment seems to be shared by CBS-TV, which has no live color shows on schedule through year's end. Its last live color special was presented in Dec. 1958. CBS is, of course, continuing color research & development, and will put shows in color on order. Several of Red Skelton's shows have been in color—Skelton personally being a color-TV enthusiast—and next month's repeat of Judy Garland's long-ago technicolored *Wizard of Oz* (MGM) will be colorcast on CBS.

Like papa RCA in the set field, NBC-TV is carrying the color burden in network arena, with average 18 hours programming weekly. Some stations have stepped up local color recently.

RCA thus continues its long, lonely fight for color acceptance—now with one ally (Admiral). It's getting little help from rest of industry—but most remarkable aspect of whole picture is that almost all of set-making fraternity is confident RCA eventually will win. They're all rooting for color—from the sidelines.

HOLLYWOOD BLUES: Hollywood producers—caught in a vise between advertisers who insist on more production values in telefilms, and unions which demand more money & benefits—face a critical situation. Although some sponsor contracts include escalator clauses to cover increased labor costs, many series are losing money on their network runs.

Look for more, not fewer, labor crises in Hollywood. What has occurred thus far is probably merely a preview. Upcoming negotiations with actors will aggravate the situation, and producers will complain that they can't cope with rising production costs. On the other hand, sponsors aren't satisfied with the production they got 5 years ago, demand a lot more. This requires more shooting hours & higher budgets. But in heavy competition, producers have no alternative except to please the sponsor.

Some companies losing money on first-runs pin their hopes of recouping losses on syndication, but others contend the rerun market is overrated and that a glut of thousands of telefilms in syndication will lower the price of all. The law of supply & demand as it also pertains to talent has caught up with TV film. Today there's a shortage of stars, writers, directors and even personnel in some of the crafts. Actors with fair names got about \$300 a picture 8 years ago; today those same performers can get \$3,500 a film. As for top stars, their prices are astronomical, and can be met only by the specials. So as each segment of personnel—talent or craft—seeks a larger slice of the pie, producers protest that if this keeps up there won't be any pie left. (For more on Hollywood's dilemma, see p. 14.)

Congress

More about

BIG TROUBLE FOR TV: The big & climactic scene in the House Commerce legislative oversight subcommittee's 1959 TV investigative season was played by Charles Van Doren at the opening of last week's final scheduled series of quiz hearings. But the melodramatics—all making TV itself a villain—continued.

Topping sensations produced by the subcommittee in its probe of show fixes (Vol. 15:40-44) was a 29-min. confession by teacher-commentator Van Doren ("I was involved, deeply involved, in a deception") in the jammed but hushed House caucus room. He said he had been living lies since he started toward fortune & fame on NBC-TV's *Twenty-One* in 1956.

Enough TV-damaging material still was left in the investigators' files—and in testimony by a long string of usually-reluctant witnesses who followed the star performer on the stand—to support headline after headline in newspaper edition after edition, however. And few sectors of the TV industry escaped being touched by the onslaught of evidence & suspicions (see p. 7) which came after Van

Doren finally bared his rehearsed part in making *Twenty-One* a rigged contest and earning \$129,000 from the Barry & Enright-packaged program. "God bless you!" subcommittee Chmn. Harris (D-Ark.) told him gratefully.

Performers, producers, packagers, agencies, networks all came under general indictment for at least guilty knowledge of quiz frauds before the week was out.

With Van Doren off the stand (and subsequently out of his \$5,500 Columbia U. teaching post and \$50,000 NBC-TV job), CBS-TV's \$64,000 *Question* & \$64,000 *Challenge* took *Twenty-One's* place on the caucus room's center stage. But other quizzes—running all the way back to radio's *Quiz Kids* in the '30's—were in the oversighters' spotlight.

At the week's end NBC pres. Robert E. Kintner & CBS Inc. pres. Frank Stanton, 2 of the industry's most skillful advocates, finally got their turns to defend their networks (see p. 5). But if they repaired much damage, no member of the subcommittee acknowledged it publicly. Each was excoriated for not preventing quiz deceptions on the public in the first place. "Laxity!" was one of the milder criticisms leveled at networks officialdom by one oversighter after another.

Also under major attack were the Revson brothers of \$64,000 *Question* & \$64,000 *Challenge*. sponsor Revlon,

whose 41 months (1955-58) as TV advertiser on the shows saw cosmetic sales leap from \$33.6 million to \$110.3 million.

Threats of perjury actions against Revlon pres. Charles Revson & exec. v.p. Martin Revson were heard from subcommittee members. "The Attorney General should take it up," said Rep. Derounian (R-N.Y.) for one, after telling Martin Revson his testimony about lack of knowledge of the show's manipulations wasn't credible.

Belligerent witnesses both, the Revsons vehemently denied sworn statements by producers Steven B. Carlin & Mert Koplin (of "Question" & "Challenge" packager Entertainment Productions Inc.) that the Revlon executives knew what went on. The producers said it was common knowledge in Revson management that questions & answers on the program were "controlled"—that, in fact, it was pressure from the sponsor for higher & higher ratings that drove the packager to tighter & tighter controls of winners & losers.

Testimony by Carlin & Koplin about Revlon's awareness that the shows were "controlled"—if not "rigged"—to give contestants precise questions & answers—was supported generally by George J. Abrams, ex-Revlon adv. v.p. He now is cosmetics & toiletries div. pres. of his old firm's competitor, Warner-Lambert.

"I believe the producers felt this pressure and resorted to rigging & fixing to save their property and satisfy the sponsor," Abrams said. "This does not make their actions any less reprehensible, but I think it does explain why they did it. They were living between the mixed values of show business & the advertising business, and moral values were lost sight of in this effort to entertain the public & satisfy the sponsor."

Conflicting testimony on the question also came from exec. v.p. Robert L. Foreman of BBDO, one of at least 9 agencies which has had the Revlon account in recent years, and pres. James D. Webb of C. J. La Roche, which holds it now. Foreman said he "assumed" the shows were controlled to an extent. "I never suspected there was any dishonesty in these shows," said Webb, disputing Carlin, Koplin and Abrams.

That the shows were "controlled" was testified to—or supported in statements by—"Question" & "Challenge" contestants including Rev. Charles F. (Stony) Jackson, Xavier Cugat, Wilton J. Springer. In his testimony Koplin asserted that all contestants who reached a \$32,000 level on the shows were helped.

And Shirley Bernstein, associate producer of "Challenge," swore in an affidavit that about a quarter of all contestants on the show received questions nearly identical to those put to them in warm-up sessions. Among these contestants, according to closed-session testimony released by the subcommittee: child actress Patty Duke, who tied child singer-actor Eddie Hodges for a \$64,000 split.

In other secret-session testimony released by the subcommittee, Edward Jurist, producer of CBS-TV's defunct *Dotto*, said the practice of rigging such shows went back at least as far as radio's *The Quiz Kids*.

In public sessions, an extra added attraction was boastful testimony by Max Hess, Allentown, Pa. dept. store owner, that in 1955 he had paid \$15,000 through a store employe to get another employe on \$64,000 *Question*. Of this money, \$10,000 in cash went to Elroy Schwartz, who worked in N.Y. offices of Cowan Productions Inc., and \$5,000 to a N.Y. publicity agent who acted as an intermediary, Hess said. Hess also claimed he had paid for store publicity provided by a variety of newspaper col-

umnists, including Bob Considine and TV critic Jack O'Brian. And so it went in the caucus room, where S.R.O. crowds dwindled after Van Doren's performance, but where there were few empty places at the press tables set up for more than 100 reporters.

One of the casualties of the week, in addition to Van Doren, was Army Capt. Michael O'Rourke, a \$106,000-plus winner on NBC-TV's *Tic Tac Dough*. Producer Howard Felsher, who had been fired by the network, had said at a private session that the veteran of Korea had been fed questions & answers to win his money. O'Rourke, who had denied any fix on the show, resigned from the Army.

It was the subcommittee's biggest broadcasting week since the oversighters were set up in House business in 1957 to see whether federal agencies—such as FCC, which came in for only passing attention last week—were doing their jobs properly.

President Eisenhower, asked at his press conference what he thought about the House testimony, said: "Everybody was astonished and almost dismayed when they heard about it and I think everybody from the basic industry itself right on down to the producers, performers, and actors and the public itself, nobody will be satisfied until this whole mess is cleaned up."

On this White House note, the hearings on quizzes were concluded—but not before Rep. Rogers (D-Tex.) put a final complaint in the record that FCC had information as far back as 1952 that there was "skulduggery" on CBS-TV's *The Big Payoff*, but did nothing about it. He said he'd like to question FCC about it later.

Next TV target for the oversighters, as announced by Harris: "Other practices in TV [that] also deserve scrutiny." No schedule was set on the next set of hearings, which are expected to go into "payola" and other reported pay-off & kickback practices (see p. 1).

Networks

More about

THE NETS SPEAK UP: NBC & CBS presented a united front against TV programming frauds last week—but split sharply on remedies when it came to telling House quiz-show investigators how sin on the airways can be eliminated.

Appearing as major windup witnesses in a week of headline-packed quiz scandal hearings by the Commerce legislative oversight subcommittee (see pp. 1 & 4), NBC pres. Robert E. Kintner & CBS Inc. pres. Frank Stanton denounced show-rigging as "reprehensible" & inexcusable. They said their networks should have detected—and done something about—fixes long before stories began breaking in the newspapers last year.

"By hindsight we recognize we should have dug deeper," said Kintner. "With benefit of hindsight, it is now clear that I should have gone further," Stanton told the hostile, suspicious subcommitteemen led by Rep. Harris.

Both acknowledged that all TV has suffered damaging blows from the rigging disclosures, although they pleaded that quizzes weren't the only programs on the air.

"We believe that the incidents of quiz show dishonesty are completely reprehensible and we are keenly aware of our responsibility for the programs we place in our schedule," Kintner testified. "But these incidents are not typical of all shows in this category, and certainly do not reflect the character of the TV medium."

"The integrity of all broadcasting has been chal-

N.Y. Times TV editor Jack Gould Nov. 6 of Hogan's estimate of 100 possible perjurers: "Far & away the most sickening aspect of the whole video affair."

"At issue now," editorialized the N.Y. Herald-Tribune, "is the propriety of Judge Mitchell D. Schweitzer's action [in impounding & sealing the presentment handed up by the Grand Jury after investigating the quiz riggings]." Added the Trib: "Nearly 500 [presentments] have been filed in N.Y. County in the last 90 years, all of which, until this one, were 'accepted'—that is, made public."

The TV quiz scandal was even giving the underworld a new gimmick last week. In Stamford, Conn. a daylight burglar made off with \$7,000 worth of furs & jewelry from the home of Mr. & Mrs. Arthur Cuscuna, after gaining admittance to the house on the pretext that he was "a television quiz investigator."

Publicity-grabbing jet flight from Hollywood to Washington last week by 9-year-old TV actress Evelyn Rudie received complete & scathing treatment by reporter Thomas Wolfe in the Nov. 5 *Washington Post*. Of young Miss ("Eloise") Rudie (who claimed she drained her toy safe of \$125 to jet to the Capital to ask Mrs. Eisenhower to line up a TV series for her) Wolfe said: "It's tough sledding when you're a 9-year-old TV star . . . and you & your mother feel your publicity agent is getting you barely enough clippings to paper the living room wall." Finding her daughter missing, Wolfe noted, Evelyn's mother immediately called, not the police, but "old friend" Vernon Scott of UPI. The young actress landed at Baltimore's Friendship Airport where she was met by a swarm of FBI agents, police, airline officials—and the press. Commenting on the fact that American Airlines reported the reservations made by an adult voice, she said: "Oh Evelyn imitates grownup voices on the phone all the time." Los Angeles police indicated they'd try to determine whether it was all a publicity stunt—and a violation of the city's laws against false reports.

New libel trial of Fulton Lewis Jr., MBS commentator, must be held in Washington, U.S. Dist. Court Judge Burnita S. Matthews ruled last week, rejecting arguments by his lawyers that it should be transferred to Baltimore. They had contended an impartial jury couldn't be picked in Washington because of publicity given the case when it was first tried last winter. A jury then awarded \$145,000 damages to Seattle educator Pearl A. Wanamaker from Lewis for an MBS broadcast linking her with Communists. The verdict was set aside in May by Judge George L. Hart, who said the jury must have been "influenced by passion or prejudice" to set such an "excessive" figure (Vol. 15:19 p8).

TV news programming is trending upward both in quality & quantity, concludes a recent UCLA survey of "TV News in the Los Angeles Area." The comprehensive 56-page report notes that only 5.4% of current L.A. programming is devoted to news, but termed news shows "vital in programming" even though TV "cannot hope to compete with newspapers in news coverage." TV newscasts, claims the report, "show all too clearly the network or channel's character, organization, and attitude toward its viewers . . . if TV has a personality, it's the newscasters who provide it."

QXR Network, FM chain which rebroadcasts programs of N.Y. Times' WQXR, has been extended to Washington with the addition of WITH-FM Baltimore & WASH (FM) Washington, 16th & 17th stations to join the circuit.

Vanishing Market For Features? "By the time the movie majors get around to a residual formula with Hollywood unions covering use of post-'48 features on TV there may be only a limited market for them," said WABC-TV's Joe Stamler last week. "TV is learning to fill the gap caused by the shortage and overpricing." The v.p. & gen. mgr. of ABC's thriving N.Y. o&o believes that distributors who keep a time lock on their film vaults are in for trouble. "Most majors are doing fairly well in the worldwide movie market by selling old product to TV directly or through sales agents, and with their own TV series," he said. "But meanwhile, the audience for features is getting tired of watching repeat after repeat. The development of late-night live programming on video tape, a trend away from the hypo of rating-week exposure of choice features, and a trend toward full-month, instantaneous ratings—these are all quietly cutting into the nighttime feature audience."

"We're not going to worry ourselves about a dwindling supply of features with no-post-'48s in sight," said Stamler. "We've tried gimmicks, like features in the daytime and horror films, but they either don't draw ratings or have only a temporary effect. I think you'll see more late-night live programming and reruns of the new crop of 60-min. film shows as spot-carriers—to the point where there will be real buyer resistance to new features—unless distributors get them into the market in a hurry."

Other N.Y. stations we queried generally tended to agree with Stamler's analysis of the N.Y. feature-film situation. "Features don't seem to be pulling like they used to," said William Cooper Jr., WPIX film buyer, adding "while the boys in Hollywood are fighting about residuals, stations are using other means of programming. Ultimately, the distributor will suffer." WOR-TV uses its *Million Dollar Movie* series as a keystone of nighttime programming when baseball season is over. There, program dir.-film buyer Bob Smith admitted he was "not too concerned with post-'48s" and the pricing was "too high" on most that are now "trickling out." Ben Hudelson, WRCA-TV program mgr., said his station was "just waiting for them, but not necessarily impatiently." WNTA-TV's prog. dir. Douglas Rodgers told us "movies are definitely overpriced in the N.Y. market, considering the quality of the product." On post-'48s, Rodgers said: "Since we stress live & tape nighttime programming, we have very little anxiety over their appearance."

The film dept. mgr. of the N.Y. station generally credited with cornering the fattest picture backlog in the market, Bill Lacey of WCBS-TV, was the dissenting voice. "I don't agree that chances of selling post-'48s will be poorer the longer they are held back," he told us. He added, however, that station-level interest in post-'48s "depends on how large a library a station has and how much the station depends on film programming." If features were a primary source of programming for a station, Lacey stated, film buyers at the station "will be interested in all new packages whenever they are put on the market." When prices are too high, he observed, a station can bargain.

New Lopert Feature Package: Our prediction (Vol. 15:14, p9) that Lopert Films, div. of United Artists, would release a sizable package of post-'48 feature films to TV this year was confirmed last week in N.Y. Lopert has established a TV sales operation headed by gen. mgr. Robert Morin, and will shortly release a 65-title package of foreign-produced features, including 44 J. Arthur Rank titles acquired when Rank pulled out of U.S. distribution early this year.

Advertising

BIG AD YEAR AHEAD: General budget increases of about 10% in 1960 by the nation's top advertisers are predicted by an Assn. of National Advertisers survey released at the opening of ANA's annual meeting, Nov. 8, in Hot Springs, Va. The study analyzes 290 questionnaires from ANA members in 33 industry classifications, spending collectively over a billion dollars a year in advertising. Expenditures for 1959 compared to 1958, as well as plans for 1960 were reported.

Of 266 companies reporting plans for 1960, 80% will be spending above 1958 rates. Of 165 companies reporting increases in 1959, 77% will increase their budgets in 1960. Of 63 companies which spent the same in 1959 as 1958, 47% plan to increase their budgets next year.

In the \$1 million-\$5 million budget classification, 71% of ANA member companies plan increases next year. In the over-\$5 million category, 68% of the companies plan increases in 1960. The strong upward trend in ad spending was most evident among drug, cosmetics, toiletries, metal fabrication, public utilities, confections, soft drinks, beer & wine advertisers.

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Record 1959 ad volume of \$11.055 billion, up 7.3% over 1958 levels for both national & local advertisers, is predicted by the Nov. 6 *Printers' Ink*. Pacing the anticipated gains in dollar volume will be network & spot TV, up 11% to \$1.225 billion from 1958's \$1.106 billion, and magazines, up 11% also to \$850 million from approximately \$767 million. The 1959 prediction is based on first-half activities and is 1.4% higher than the \$10.9 billion estimated previously on the basis of first-quarter volume.

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Million-dollar advertisers in 7 major media increased in number to 387 in 1958, up 4 from 1957's total of 383, according to *Printers' Ink's* "Advertisers' Guide to Marketing for 1960." The 1958 "millionaires" invested a record \$1,996,796,000 in network & spot TV, newspapers, magazines, farm papers, business papers, and outdoor; accounted for 69.8% of all advertising in those media.

Full House on Bourbon St.: ABC-TV may be having rating problems and bad press notices with several of its new 60-min. film shows (primarily from Warner Bros. & 20th-Fox), but the "magazine concept" of selling them was in high gear last week. As a replacement for exiting P. Lorillard Co. in *Bourbon St. Beat* (which decided to pull out, as Lennen & Newell TV-radio v.p. Nick Keesely put it, "after seeing the first 3 shows") ABC-TV landed another tobacco firm, Brown & Williamson.

In radio's heyday, when long-term sponsor identification often ruled out a program sale to a firm even remotely in the same business as a departing sponsor, such a move would have been earth-shaking. But last week no one was particularly surprised. "Ted Bates (Brown & Williamson agency for Kools, Viceroy) bought the show strictly on the basis of circulation. There was no concern about carry-over sponsor identification," a network executive told us.

ABC-TV pres. Ollie Treyz last week also made a point of flatly denying the rumor (Vol. 15:44 p15) that the network was making special price deals in the form of program contributions in "Bourbon St." The program-only price, said Treyz, was \$15,333 per first-run episode for 1/6 spon-

sorship (1/3-occupancy on an alt. wk. basis), and "everybody is paying the same."

With a full sponsor house, "Bourbon St." is currently protected against any immediate cancellation, although the Southern-accented private-eye series can be blacked by ABC-TV after the 26-wk. mark.

ABC's current handshake deal with Warner Bros., under which the network functions as the exclusive outlet for WB shows, by purchasing them directly & re-selling to sponsors in segments, had an effect in another area last week. Rodney Erickson, ex-Y&R TV executive who is v.p. in charge of worldwide TV sales for WB, made a new deal with his employers. Erickson, who found himself with little to do (although NBC & CBS have both indicated they'd like WB telefilm series next season, "provided they get the same deal as ABC now gets") will take a cut to become a "non-exclusive consultant" to WB & others.

British Beachhead: Associated-Rediffusion, British TV firm that supplies London-area weekday commercial programming, lost no time in following up the Nov. 4 announcement of the lifting of most of the remaining import controls on U.S. goods sold in England. In N.Y. Nov. 6, a press conference was called by A-R's adv. sales mgr. Guy Paine and McCann-Erickson International chmn. Sylvester L. ("Pat") Weaver to announce: (1) That Weaver's agency would launch a trade-consumer campaign to promote A-R's TV services; (2) A-R was in the process of picking an American station rep to handle time sales to U.S. advertisers; (3) A-R was very much in the market for new American revenue or TV spending by U.S. firms that have British branches.

By Paine's estimate, the latter category of spending is already important to British TV, representing "possibly 25% of all British commercial TV revenue." No revisions in A-R's present TV sales policies (all commercials on a spot basis with program control remaining with A-R) are planned, but A-R plans to consult with all U.S. advertisers interested in reaching the largely control-free British market. Similar consultation will be offered by the firm's American rep, whose name will probably be announced Nov. 11 in London but "probably won't be NBC or CBS Spot Sales," Paine stated. McCann-Erickson won't be involved in time sales, Pat Weaver made clear, but would concentrate on "such things as trade paper advertising for A-R."

From a standing start in 1955, A-R has progressed to the point where revenue is now "about 12.5 million pounds" (some \$34 million) annually, Paine told reporters. A-R now reaches 2.25 million TV homes in the London area (about 72% of all TV homes; the remainder are single-channel homes that get only BBC-TV) and usually walks off with the top program ratings. Cost-per-1,000-homes on 30-sec. commercials is now about \$1.50.

In 1964, when the British TV system will be up for governmental review, A-R plans to seek a second TV channel "devoted to serious programming only" and whose rates, pegged to the 25% of the TV audience A-R expects to reach, "will be adjusted accordingly," Paine added.

People: Frank A. Sherer named McCann-Erickson senior v.p.-treas. & dir., succeeding Frank White as treas. Mr. White, a senior v.p., becomes vice-chmn. of the exec. policy committee . . . R. Wells Brown elected Compton v.p. . . . Frederick D. Sulcer named mgr., Needham, Louis & Brorby TV-radio creative dept. . . . Ronald C. Bradley and Herbert G. Drake promoted from v.p.'s to senior v.p.'s, Ted Bates.

The FCC

FCC'S NETWORK-REP DECISION: The reasons behind its decision ousting networks from the TV-spot rep business were given in detail by FCC last week, following announcement of the decision a month ago (Vol. 15:41 p1). Basically, they revolve around the concept that national spot is an important competitor to networking, and there's an ever-present danger of diminishing this competition if networks are also in the rep business. CBS & NBC have indicated they plan to fight the decision. ABC isn't in the rep field.

The FCC summarized its views thus: "Participation in the spot sales fields gives the networks the potential power to restrain competition for the representation of stations, as well as competition between network & national spot TV. In the latter field, the networks' role as national spot representative for affiliated stations creates an inherent conflict of interest which has resulted in inhibiting competition between network & national spot TV. Such restraint by the networks on the licensee's freedom to choose his station representatives and freedom to compete for national spot business therefore involves interference with the licensee's independent duty to operate his station in the public interest."

For an example of such restraints on competition, FCC pointed to CBS's 1952-54 campaign to raise spot rates to equal network rates. The Commission noted that its staff reported that the CBS Spot Sales & networks divisions cooperated in the campaign, and said that it agreed with its staff's conclusion: "In this case, the CBS Spot Sales division sacrificed potential or actual national spot business by helping to set the national spot rates of the owned & the affiliated stations at a level that would reduce competition between network & national spot sales. The spot-sales organization was acting in the interest of the broadcasting company rather than in the interests of the stations which it represented in national spot sales; indeed, it can be said to have been acting in a manner contrary to the interests of the represented stations."

* * *

FCC said that networks are in a powerful position, through control of affiliations, to force many stations to give them their spot-rep business—thus enabling networks to restrain network-spot competition. The Commission rejected network arguments that they have no intention of expanding their lists of represented stations. CBS represents 7 stations in addition to its o&o's; NBC reps 6. The decision permits networks to continue repping o&o's.

A bit sarcastically, the FCC said: "Statements by the networks of their current intention not to expand their sales activities have coincided with the pendency of this and a prior Commission proceeding in which the problems raised by the spot activities of the networks were an issue. This voluntary self-restraint has not been explained by convincing reasons based on considerations normally affecting the conduct of the spot-representation business. Accordingly, there is no assurance that, absent Commission action, the networks will adhere to their voluntary limiting policies in the future."

The Commission also explained why it decided to let CBS & NBC continue to represent non-o&o radio stations: "Of most significance is the fact that the networks do not occupy the same dominant position in radio that they do in TV. The relative significance of radio networks, both

as an economic factor & as a source of programs, has declined substantially. The radio networks do not dominate the radio field, nor do they occupy the same bargaining position with respect to their affiliates as they do in TV. Moreover, although there are many more radio stations than TV stations, CBS & NBC both represent fewer stations in radio spot sales than in TV spot sales." CBS reps 5 non-o&o's, NBC 3. The document is 35 pages long, single-spaced Public Notice 59-1119, mimeo. 79466, docket no. 12746, available from the Govt. Printing Office.

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Flint's Ch. 12 remains in WJRT's hands, the Court of Appeals ruled last week as it upheld FCC against radio WFDF Flint and W. S. Butterfield Theatres in the much-litigated case. After the original FCC decision in 1954, winner WJRT had been granted a modification of CP based on a new transmitter site, new studio building and changed programming plans. WFDF and Butterfield asked FCC to reopen the hearing because of these changes. FCC refused, the losers appealed, and the Court of Appeals reversed the Commission. The Court ordered FCC to conduct further hearings to determine whether WJRT was still the best applicant, on the basis of the changes, and whether WJRT should be disqualified because of the "late revelation" of its changes. FCC conducted the hearing, concluded WJRT was still superior and suffered no character disqualification. Last week, Judges Bazelon, Danaher & Bastian concluded: "We think that full & comparative hearings have now been afforded the respective parties. We find no basis for disturbing the Commission's decision." In a related decision, the judges upheld FCC's decision denying the protest against WJRT's modified CP, filed by WKNX-TV (Ch. 57) Saginaw-Bay City.

Second conspiracy trial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside on charges that they plotted to rig the Miami Ch. 10 grant for National Airlines WPST-TV (Vol. 15:44 p10) has been postponed. The retrial was scheduled to start Nov. 3 in U.S. Dist. Court, Washington, but Judge Charles F. McLaughlin put it off until Nov. 12 to give him time to wind up another case. Then counsel for Mack & Whiteside made 2 moves which promised to delay it even longer. They filed a motion with McLaughlin asking that the case be transferred to Miami, arguing that it would be a hardship on Fla. witnesses to come to Washington again. The defense lawyers next appealed to the Supreme Court to review a decision by the Court of Appeals upholding refusal by Dist. Court Judge Burnita S. Matthews to order acquittal for Mack & Whiteside after their first 12-wk. trial ended in a hung jury.

Boston Ch. 5 "influence" case produced an unusual brief last week as FCC attorneys Edgar Holtz, James Brennan & Joel Rosenbloom filed comments on examiner Horace Stern's initial decision which recommended that WHDH-TV be permitted to keep its grant (Vol. 15:39 p1). The lawyers no longer urge that the CP be taken away from WHDH-TV. Rather, they say they differ with Stern on the credibility of WHDH-TV witnesses and urge the Commission to examine the hearing record for the credibility factor. Then, they said, if FCC agrees with their adverse conclusions on that score, it should revoke the CP.

Sale of KSHO-TV (Ch. 13) Las Vegas for \$137,500 by Mervyn L. & Nathan Adelson and Irwin A. Molasky to Nevada Bcstrs. Fund was granted by the FCC last week. R. G. Jolley, pres. of radio KLAS Las Vegas, is pres. of Nevada Bcstrs. Fund.

Stations

TIO'S CORNERSTONES: Louis Hausman, director of the TV Information Office (TIO), revealed a little more about his concept of the philosophy of the all-industry information program which he will lead, in the keynote address to the Philadelphia convention last week of the Broadcasters' Promotion Assn.—a convention at which leading speakers put more stress than usual on public-service programming.

The "cornerstones" of TIO's information program, in Hausman's words: "(1) Admit when things are wrong. (2) Correct them. (3) Inform all the publics. (4) Defend our contributions actively." In this connection, he conceded that TV has broken faith with the public—and "no fingerpointing can excuse or mitigate our own lapses." He cited as the most disturbing aspect of the scandals the general public misunderstanding that disclosures involving a few shows "are somehow typical of the ethical conduct of the whole TV industry."

He cited the huge expenditures of time, money & effort on public-service programming as evidence of TV's responsibility & public interest. He urged the assembled promotion managers to "re-examine the amount of publicity—on & off the air—that you have been giving to the public affairs and other prestige portions of your station's schedule." He also suggested greater emphasis on non-broadcast community-service projects by broadcasters—for example, fighting juvenile delinquency by sending underprivileged children to summer camps.

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Absolute program control by networks & stations was urged by Corinthian Bestg. pres. C. Wrede Petersmeyer in an address to BPA. "If the quiz scandals have taught us anything," he said, "they have made it abundantly clear that the networks & stations must exercise full control over what is carried over their facilities, that they cannot delegate this responsibility to any other element in the program process—to the advertiser, the agency, to the program packager or producer. Such control is mandatory if they are going to be held accountable for what appears on the American TV screen."

Programming must continually be re-evaluated, he added, to determine how well it is fulfilling the needs of the nation & the community. As to public service programming and program promotion, he told the BPA audience: "I think it is time to readjust our sights. Networks & stations must . . . utilize the whole range of the TV schedule to inform the viewer of the whole range of TV programming . . . I propose, therefore, that as an industry, we adopt the policy of promoting non-entertainment programs in prime time, as well as in other periods." As examples on the network level, he cited the "impact" which would be created if Dinah Shore described an upcoming NBC Opera telecast, or if Ed Sullivan ran a 30-sec. film clip from a Leonard Bernstein telecast. He urged local stations to clear time for the important informational & cultural programs provided by networks.

The next BPA convention will be held Nov. 14-16, 1960, in New Orleans.

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Gene Godt, sales promotion & adv. dir. of KYW-TV Cleveland, was elected Bestrs. Promotion Association pres., the membership rejecting its nominating committee's candidate. Other officers elected (and included on the nominating

committee's slate): John F. Hurlbut, WFBM-TV Indianapolis, 1st v.p.; Donald B. Curran, KTVI St. Louis, 2nd v.p. Named to the board: Robert B. Cheyne, WHDH Boston; Mike Schaffer, WAVY-TV & WAVY Portsmouth, Va.; Dorothy Sanders, WLWD Dayton, O.; James H. Bowermaster, radio WMT Cedar Rapids; Dean Faulkner, KOA-TV Denver; Robert V. Freeland, KOTV Tulsa; Chuck Olson, WITI-TV Milwaukee.

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New labor-law trouble spots were indicated by NAB mgr. of broadcast personnel & economics Charles H. Tower in a luncheon address before the Federal Communications Bar Assn. in Washington last week. He pointed to Sec. 203 (A) (3) of the law and said: "This section requires reporting by an employer of expenditures made in any fiscal year, where an object of the expenditure is—and here I am paraphrasing the law—to commit an unfair labor practice. Willful violation of this section is punishable by fine or imprisonment. This section of the new law raises the possibility of a back-door criminal sanction for unfair labor practices. In my judgment, this was not intended by Congress, but there are possible interpretations of the section which could bring this unhappy & unwanted result . . . The employer finds himself legally obligated to file reports on money spent for the purpose of violating the law, although there is an exception regarding money paid to officers, supervisors, and employes for services performed in their regular capacities. In the wrong hands, this requirement, even with the exception, could cause employers all sorts of difficulties. I don't believe that those now entrusted with interpreting this phase of the law will misuse its provisions. On the other hand, management must be vigilant to make sure that proper application of the law is scrupulously observed."

Mild flurry of applications for new TV stations occurred when 4 were filed with FCC last week: For Ch. 12, Wilmington, Del., by multiple-owner Metropolitan Bestg. Corp., which is buying radio WIP Philadelphia; for Ch. 3, San Angelo, Tex., by a group of Dallas businessmen headed by attorney Bedford S. Wynne; for educational Ch. 2, Vermillion, S.D., by the U. of S.D.; for commercial Ch. 62, Tacoma, Wash., by Tacoma School Dist. No. 10. Total on file is now 109 (15 uhf).

Allocations petitions filed with FCC last week: (1) Prospective applicant Atlas Bestg. Co., seeking assignment of Ch. 13 to Grand Rapids, wants to swap Ch. 9 for Ch. 13 in Cadillac by moving Ch. 9 from Alpena and changing the educational assignment there from Ch. 11 to Ch. 13. The switch would require a show-cause order to WWTW (Ch. 13) Cadillac to shift to Ch. 9. (2) Blythe Telecasting Co., Blythe, Cal., wants Ch. 25 allocated there.

Award of Ch. 5 in Weston, W. Va. to WJPB-TV Inc. of Fairmont, W. Va. was finalized by FCC last week, upholding Examiner Jay A. Kyle's initial decision of last Sept. (Vol. 15:38 p6). At the same time, the Commission dismissed the competing application of off-air WENS (Ch. 22) Pittsburgh, which has entered merger agreement with WJPB-TV Inc.

Off-air KBMT (Ch. 31) Beaumont, Tex. was granted switch to Ch. 12 by the FCC last week. The grant was a reversal of examiner Charles J. French's decision of Aug. 11, 1958 which gave preference to Brown Telecasters Inc. (Vol. 15:30 p9).

RCA color TV tape recorder has been installed by WBAP-TV Fort Worth.

WJAR-TV purchase price refunded: The 11-month effort of William Zeckendorf & John C. Mullins to purchase The Outlet Co. dept. store and its WJAR-TV & WJAR Providence appeared to have hit dead end last week as a result of the court battle waged by station gen. mgr. Joseph S. (Dody) Sinclair, chief beneficiary of the Outlet stock trust. The Zeckendorf-Mullins 91065 Corp., through its escrow agent, the Industrial National Bank of Providence, made refunds to stockholders who had accepted its offer to purchase outstanding Outlet stock at \$120 a share (Vol. 14:49 et seq.) in a deal involving about \$12 million. Counsel Maurice Iserman for 91065 Corp. said, however: "We haven't quit. We are going to bring a suit. We are working on what kind of action will be taken." A spokesman for the bank said, however: "This matter is now a closed book." Sinclair told us that The Outlet Co. is now attempting to have its stock re-listed on the N.Y. Stock Exchange, which dropped its listing after 91065 Corp. had bought up so much of the stock that trading dwindled to virtually nothing.

To meet Boston's newspaper strike, emergency "teledition" newcasts were initiated by WBZ-TV last week. The station added 6 daily newcasts for a total of 15, tacked on an 11:15-11:30 p.m. news & sports wrap-up, and scheduled additional news reports during its Sat. football & Sun. movie telecasts. Promotion-minded WBZ-TV kicked off its "teleditions" by originating its 9-9:30 a.m. *Today At Home* from the station newsroom, putting the TV cameras on the news staff, and having news dir. "Dinny" Whitmarsh explain techniques & equipment used in news gathering & telecasting. The station signs off each newscast with a time-announcement of the next one.

Purchase of KTVT (Ch. 4) & KDYL Salt Lake City for \$3.1 million by Columbia Pictures Electronics Co.—CP's station-operating subsidiary—(Vol. 15:30 p10) was approved by FCC last week. The Commission said the grant is "without prejudice to whatever action Commission may deem appropriate in light of any determinations made in U.S. vs. Screen Gems Inc. and U.S. vs. Columbia Pictures Corp. et al., actions still pending in the U.S. Dist. Court for the Southern dist. of N.Y."—referring to the anti-trust case. Comr. Bartley dissented.

Standardization of 30-sec. TV-spot rate has been suggested by the Katz Agency to its client stations. To date, Katz reports, 75% have signified acceptance of the plan, which suggests that the 30-sec. rate, in station-break positions, be a combination of the 20-sec. plus the ID rate. Most reps apply this formula, we learned last spring (Vol. 15:18). "In all other instances, 30-sec. spots take the min. rate," Katz says. "In figuring frequency discounts & package plan rates, a 30-sec. spot counts as one announcement."

Reports that WTVR (Ch. 6) Richmond is being sold are "vicious rumors," according to pres. Wilbur M. Havens, who said he received 4 calls checking the reports last week. He said he has had 40 to 50 offers in the last 2 to 3 years. All prospective purchasers have been told the station is not for sale.

Maximum Service Telecasters' technical committee, headed by Henry Rhea, WFIL-TV Philadelphia, met in Washington last week, agreed to recommend a substantially increased engineering program for next year to the MST board when it meets in Washington Nov. 10. The projects weren't disclosed.

Switching to Ch. 13 from Ch. 15 on Friday the 13th of Nov., pioneer uhf outlet WVEC-TV Hampton-Norfolk, Va. becomes the Norfolk area's 3rd vhf station (Vol. 15:29 p11). At same time, WVEC-TV becomes an ABC-TV affiliate, replacing WAVY-TV (Ch. 10) Portsmouth-Norfolk, which takes over NBC-TV affiliation from WVEC-TV. The Ch. 13 installation is now on the air on an equipment-test basis. WTOV-TV (Ch. 27) Norfolk left the air and surrendered its CP last week under a merger agreement whereby its owners—former Ch. 13 applicants—received an interest in WVEC-TV. Departure of WTOV-TV reduces on-air total TV stations to 558 (84 uhf).

National TV week, Nov. 15-21, with the theme "Television . . . in Focus with Modern America," is being promoted by NAB primarily through a promotion kit sent to all stations, whether NAB or not. Electronic Industries Assn. (EIA) is not a sponsor this year, although some individual manufacturers are joining the campaign. NAB's kit includes a fact sheet, program & promotion ideas, suggested speech text for station personnel, news releases, on-air copy, list of national organizations which have been urged to support the campaign, a slide, newspaper mat, information on the NAB film titled "In Focus." The film is available to NAB members only, at \$55. No more rental prints are available.

Canadian Assn. of Bestrs. leveled its criticism last week at new regulations for commercial TV operation (Vol. 15:31 pp1&10) proposed by the Dominion's Board of Broadcast Governors. The regulations were the subject of public hearings conducted by BBG (Vol. 15:43 p7) and are scheduled for announcement in final form this week (15). The CAB specifically blasted as a threat to Canadian TV proposals which would require that 55% of programming be Canadian in content or origin; that 2 hours of prime evening time (between 8-11 p.m.) be reserved for purposes prescribed by the BBG.

Rep-consolidation trend among station groups (Westinghouse Bestg. Co., for example, earlier this year created its own house TvAR, to handle business previously spread among several rep firms) is being followed by Corinthian stations. In the "near future," stated Corinthian pres. C. Wrede Petersmeyer, the company's 5 TV & 2 radio outlets will be represented by H-R Representatives and H-R TV Inc., which currently handles Corinthian's KXTV Sacramento. Other Corinthian outlets are presently repped by CBS-TV Spot Sales, Bolling Co., & Edward Petry Co.

Station Rate Increases

Station	Base Hour	Minute	Date
KIRO-TV Seattle	\$1100 to \$1200	\$230 to \$300	Oct. 1
WHBF-TV Rock Island	900 to 950	225 to 250	Oct. 1
WOC-TV Davenport, Ia.	900 to 950	225 to 250	Nov. 1
WPST-TV Miami	825 to 900	210 to 220 ¹	Sept. 15
WISC-TV Madison	550 to 750	110 to 200	Oct. 1
WSIS-TV Roanoke	675 to 725	160 to 190	Oct. 1
WLOS-TV Asheville	600 to 700	120 to 160	Oct. 1
WTRF-TV Wheeling	625 to 650	140 to 150	Oct. 1
KXJB Valley City, N.D.	550 to 625	125 to 150	Oct. 1
WALA-TV Mobile	450 to 500	90 to 110	Oct. 1
KTSM-TV El Paso	375 to 450	90 to 100	Nov. 1
KNOE-TV Monroe, La.	400 to 450	80 to 90	Oct. 1
WJBF Augusta, Ga.	350 to 400	75 to 100	Nov. 1
WTVP Decatur, Ill.	350 to 400	70 to 80	Oct. 1
WABI-TV Bangor	375 to 400 ²	75 to 80	Aug. 15
KLFY-TV Lafayette, La.	250 to 300 ³	65 to 78	Aug. 1
KCSJ-TV Pueblo	225 to 250	45 to 60	Sept. 1

¹20 Sec. only, also has added Min. at \$250. ²Combination rate with WAGM-TV Presque Isle raised from \$500 to \$530 Hourly, \$100 to \$106 Min. ³New Class AA (7-10 p.m. daily) Class A hour from \$250 to \$275. Note: Class AA Min. for WAVE-TV Louisville is \$260, not \$250 as shown in Factbook No. 29. Also, spot rates for CHCH-TV Hamilton, Ont. include Class AA (5-8 p.m. Mon. Fri.) Min. \$225, 20 Sec. \$200, 8 Sec. \$95, Class A applying to 8-11:30 p.m. Mon-Fri. & 5-11:30 p.m. Sat. & Sun.

Television Digest

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WALTER H. ANNENBERG, President

PUBLICATION OFFICE Box 700, Radnor, Pa. MUrray 8-3940
JAMES T. QUIRK, Business Manager
JAMES B. DELEHANTY, Asst. Business Mgr.
MERRILL PANITT, Editorial Director
HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU
 Wyatt Building
 Washington 5, D.C.
 Sterling 3-1755
ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU
 625 Madison Ave.
 New York 22, N.Y.
 Plaza 2-0195
CHARLES SINCLAIR

WEST COAST BUREAU
 6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210
DAVID KAUFMAN

MARTIN CODEL
 Associate Publisher

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Personals: Alfred R. Stern, ex-NBC international dir., elected v.p., NBC's newly created Enterprises div., continuing as NBC International Ltd. bd. chmn. . . . Sven B. Karlen named CBS Inc. comptroller . . . Ward L. Quaal, v.p. & gen. mgr. of WGN Chicago, named chairman of NAB's 1959-60 labor relations advisory committee . . . Kenneth T. McDonald, ex-TvAR, named sales mgr., WBZ-TV Boston.

William D. Stiles, general manager of KLRJ-TV Las Vegas, elected v.p. for TV, Donrey Operating & Trading Co. Donrey TV properties: KLRJ-TV; KOLO-TV Reno; KFSA-TV Fort Smith, Ark.; KGNS-TV Laredo, Texas; CP for KNAC-TV Hot Springs, Ark. . . . Don Patton named program mgr., KHJ-TV Los Angeles; Larry Hays appointed program development dir.; Bill White, film & video tape mgr. . . . William G. Thompson Jr., ex-NBC-TV facilities operations dept., appointed WRCA-TV sales promotion mgr. . . . Ed Reynolds, ex-Ketchum, MacLeod & Grove adv., & formerly CBS radio press information, named CBS-TV press information asst. dir.

Lee Lovett, recently admitted to the District of Columbia bar, joins the TV-radio firm of his father, Eliot C. Lovett . . . Arthur Hertz named asst. comptroller, Wometco Enterprises (WTVJ Miami; WLOS-TV & WLOS Asheville, N.C.; controlling interest in WFGA-TV Jacksonville, Fla.) . . . James P. Smith named Eastern sales mgr., Adam Young reps.

Philip Beuth appointed promotion mgr., WTEN & radio WROW Albany, N.Y. . . . Joel H. Scheier, ex-WPTZ & radio WIRY Plattsburgh, N.Y., will represent Washington brokerage firm W. B. Grimes & Co. in Fla., at 2817 North East 32nd St., Fort Lauderdale . . . Robert L. Purcell, ex-John H. Mullaney consulting engineering firm, joins Silliman, Moffet & Rohrer, Washington, as an associate.

Communications scholarship to the U. of Ala. has been established by Henry Johnston, retired TV-radio veteran who now serves on the U.S. Information Agency's national TV-radio committee. Johnston formerly was pres. & gen. mgr. of WAPI-TV & WAPI Birmingham, founder & first pres. of the Ala. Bcstrs. Assn. Named for Johnston and his wife, the Louise & Henry Poellnitz Johnston Scholarship will be awarded annually to an Alabama student interested in the communications field. The initial award was made last week to Charles Caton, majoring in TV-radio.

Meetings next week: Academy of TV Arts & Sciences forum on international TV (Nov. 17), Y.M.W.H.A., Lexington Ave. at 92nd St., N.Y. . . . Cal. Bcstrs. Assn. (17), Ambassador Hotel, Los Angeles . . . Washington State Assn. of Bcstrs. & Oregon Assn. of Bcstrs. joint meeting (18), Olympic Hotel, Seattle . . . Maine Radio & TV Bcstrs. Assn. (18), Portland . . . Tenn. Bcstrs. Assn. (19-20), Jackson Hotel, Nashville . . . Also TvB (see below).

TvB's 5th anniversary will be celebrated at the Bureau's annual meeting in Chicago Nov. 18-20. Highlights will be a speech by FCC Chmn. John C. Doerfer and a new TvB presentation, "The Great Exponential," which "points up the need for converting non-customers to TV advertisers, and the need for acceleration of selling."

Print media took another crack at television with "We Turned TV Off for a Year!" in the Nov. 1 *This Week*, 13-million-circulation, Sunday-supplement in 42 newspapers. During the TV famine, the author notes, his youngsters developed new tastes, dusted off old talents; discipline improved; togetherness set in. The TV lights are on again now in the author's home, but with a 2-point "control formula"—the youngsters must request to view a specific TV show; the parents decide on its worthiness.

False Conelrad alert knocked radio stations in Michigan's Upper Peninsula off the air for 20 min. Nov. 5. "Somebody goofed," said Capt. Harry Scarborough, information officer at Truax AF base, Madison, Wis. "Someone sent out the alert last night without designating it as a practice test of the system. One thing about it though, we know now that it works."

Freedom of TV editorial opinion was exemplified by KMOX-TV & KMOX St. Louis last week when the CBS outlets went on the air the same night with opposite editorial views on the same local issue. KMOX-TV v.p.-gen. mgr. Gene Wilkey favored adoption of a plan calling for uniformity of rules & regulations among metropolitan St. Louis's 98 municipalities. KMOX v.p.-gen. mgr. Robert F. Hyland editorialized against the proposal.

WNBQ Chicago is promoting its daily TV weathercasts by sending novel thermometers to advertisers. The device is intended for mounting on the outside of a window pane to provide at-a-glance readings of outdoor temperatures—and to serve as a constant reminder that WNBQ's weathercasts have time for sale.

Proposal to outlaw subliminal commercials on TV will be aired at Cal. State Assembly hearings Dec. 17 in Los Angeles by the Assembly committee on governmental efficiency & economy.

Obituary

Rep. Alvin R. Bush (R-Pa.), 66, 3rd ranking minority member of the House Commerce Committee, died Nov. 5 at Williamsport hospital following a heart attack in his home at Muncy. He is survived by his widow, a son and daughter.

David W. Findlay, 39, merchandising & sales promotion mgr. of WDBJ-TV Roanoke, died Oct. 30 in the Piedmont Airlines plane crash, near Charlottesville, Va., which killed 26 of the 27 people aboard. Surviving are his widow and 4 daughters.

Shelby Gordon, 40, story editor for CBS-TV's *Conquest* science series, died Nov. 4 at Harkness Pavillion of Columbia Presbyterian Medical Center, N.Y., following a short illness. He is survived by his wife, parents and a brother.

Film & Tape

More about

HOLLYWOOD BLUES: Back in 1950, before TV film came of age, a standard half-hour telefilm cost about \$7,000 to produce. Today the average cost is almost \$50,000. That's a sample of the production cost spiral since Hollywood TV went big time. One 60-min. show, which cost about \$70,000 an episode only 2 years ago, now comes in for \$90,000 a segment (see p. 4).

It would be fallacious and an over-simplification to put the blame for Hollywood's TV ills solely on what the guilds & union demand. Top production executives we've talked to see the costliness also as a natural outcome of TV's growth. "When we first started, we could limit our half-hour shows to 4 or 5 sets and a few characters. Now the same show must have 12 sets and many more actors," commented one. "You can't point to any one item in our budget, and say 'This is the reason.' It's the entire situation. Because TV today is so competitive, and because sponsors seek more production values, it takes longer to shoot a picture. Where we could shoot a film in two 8-hour days a few years ago, we now need 30 hours. This means higher costs, usually including overtime, all along the line.

"Five years ago, our company shot 5 Westerns for a total cost of \$68,000; today each of these shows would cost \$38,000. Everything is more expensive. Today we have live music; 5 years ago we didn't. Five years ago we got every actor except the lead for \$80 a day. The lead got \$600. Today the supporting actors get \$150 to \$200 a day, sometimes higher—and that same leading actor gets \$3,000 a picture. We hired one good supporting actor recently at \$350 for a day's work. But by the time we finished the overtime, he received about \$750 for that day's work," he continued.

Production costs are usually categorized as below-the-line & above-the-line. The former costs cover the set, grips, prop men, electricians, all the non-creative aspects of a production. Above-the-line includes stars, cast, directors, writers. One executive estimated that below-the-line costs have increased more than 50% in the past 5 years. As for above-the-line, not only have star salaries increased considerably, but many own as much as 50% of their shows. The sponsor usually wants a name—and that usually requires a participation offer by the producing company.

Writer costs have increased, too, and the Writers Guild is seeking further increases as this is printed. Average story costs (original & teleplay) on a network series with a name star 3 years ago were \$1,500 to \$1,750. Today that cost is \$2,500 a show. The Writers Guild minimum is \$1,000—but few writers are available for minimum. Some ask—and get—as high as \$3,000.

The price of directors has gone up too—and good ones are difficult to find because of the heavy demand. Few directors of live TV have successfully made the transition to TV film. They are inexperienced with motion-picture-camera technique and are weak in directing exterior & action shots. Some executives believe it takes a live-TV director twice as long to do film as it should, and therefore won't hire them. One executive told us that 5 years ago 80% of the directors would work for minimum; today no more than 5% will. The director's minimum then was \$550 a show—today it's \$720—and it's more & more difficult to find a good one at that price.

Another factor contributing to present-day higher costs is that many shows (particularly Westerns) go on

location—something unheard of in TV's infancy. Location shooting means \$1,500 to \$2,000 extra daily in production costs—for travel, food, wranglers and like expenses.

When Four Star Productions was formed in 1951, owners Dick Powell, David Niven and Charles Boyer starred in *Four Star Playhouse*, for which they received \$20,000 an episode from their sponsor. They spent additional \$10,000 on each segment to insure good quality. That made it one of the costlier series on TV at that time. The investment paid off richly in reruns of the series. Recently Four Star pres. Dick Powell told us that the same series today would cost \$20,000 more per episode to produce.

The higher production costs are going to make it much more difficult for a company to get rich on reruns, and there are some who think the entire residual potential has been vastly overrated. Said one production executive with a top company: "When the rerun market is saturated with negatives, a lot of people will get hurt. And this day is coming soon, particularly for Westerns—of which we've made many. If the Western craze ends, where will we companies be that have our vaults filled with them?" Other executives believe the syndication market will be depressed for some time to come because stations find it economically advantageous to show old movies.

While it doesn't affect the TV-film independents, the question of cutting talent guilds in on post-1948 movies sold to TV could affect the TV subsidiaries of the major studios. A thorny issue still unresolved, this remains one of the principal reasons for the impasse in negotiations between the majors and the Writers Guild. All the talent guilds want some assurance they will receive a cut of TV revenue from post-1948 movies. The majors thus far have shown no inclination to grant such assurance.

* * *

Edd (Kookie) Byrnes, one of the stars of Warner Bros.' *77 Sunset Strip* was ready to take a walk—and a suspension—last weekend. Dissatisfied with his present contract under which he earns about \$400 a week (Vol. 15: 44), Byrnes rejected as completely "inadequate" a Warner Bros. offer to readjust his contract. He then notified the studio that if it did not meet his demands by Nov. 6 (which it did not) he would not report for work. Inasmuch as Byrnes is WB's most popular star by mail measurement the situation presented a real problem for the studio. Warner Bros. already has one other TV star—Wayde Preston—on suspension. The star of *Colt .45* had asked release from his contract, expressing general dissatisfaction with his deal. Preston, whose contract had been readjusted recently to about \$400 a week, insisted he could do better elsewhere. When WB refused to release him, he took the suspension. He had starred in the first 9 segments, and Donald May is finishing the first cycle of 13 episodes as his replacement. Warner Bros. doesn't know whether the series will continue beyond then. It depends on sponsor reaction to May.

— ■ —

Abraham Lincoln, through the medium of Brady photographs used in the new 30-min. telefilm series, *The American Civil War*, produced by Westinghouse Bcstg. Co., has achieved what amounts to star male lead in the 13-episode syndicated series. To get the point across, friends of WBC national program dir. Bill Kaland recently presented him in N.Y. with an "autographed" Brady portrait of the great emancipator, bearing the penned legend: "The pilot was a real gasser, but what about my residuals? Abe."

NEW YORK ROUNDUP

CBS News, now operating semi-autonomously, has joined the growing platoon of production firms making or planning Civil War TV series for 1960-61 airing. It has signed producer-writer Joseph Krumgold to head the Civil War project, as yet untitled. Already in camp: Westinghouse Bestg. Co., which is producing a 13-episode, 30-min. Civil War series; and NBC-TV, which is planning one with producer-playwright Dore Schary.

MCA TV's *Coronado 9* has been sold in over 90 markets. The largest single regional buy is by Falstaff Brewing Co. for 67 markets. *Coronado 9* plus MCA's *Shotgun Slade* and *Johnny Midnight* have been slotted exclusively in prime evening time, film syndication div. v.p. David V. Sutton said last week.

Screen Gems will produce "for possible network sale" a new Western, *Oklahoma Run*, based on the opening of the Cherokee Strip in 1893. William Froug has been named producer and writer. Episodes will be taken from eyewitness accounts filed at Okla. State Historical Society.

United Artists Associated, in making deals with David Susskind's Talent Associates for live TV remakes of old Warner Bros. movies, has an eye on future TV distribution of video tapes of these specials. So does MGM in similar Susskind deals. Both firms are retaining eventual tape ownership & distribution rights to the Susskind-packaged shows ("Meet Me in St. Louis," "Mrs. Miniver," "Strawberry Blonde," etc.) although virtually all are also available in original feature-movie form.

Eastman Kodak Co. is dropping its processing facilities for 16-mm commercial Kodachrome, type 5268—a film often used until recently to shoot TV color-film commercials & programs—since it has now been virtually replaced in the film industry by the use of the improved (faster emulsion) Ektachrome type no. 7255 introduced in 1958. Stocks of the older film have now been almost exhausted, and demand for processing has dropped to the point where "it is no longer feasible" to handle it, said Kodak last week.

American telefilm packagers dominate foreign sales because of their person-to-person approach, Thailand TV producer-dir. Pichai Vansasong said in N.Y. last week. Vansasong, invited to N.Y. by ABC-TV pres. Oliver Treyz, is here to study TV programming & technical operations. He said that his station, HST-TV, programs American product exclusively, including *Disneyland*, *Mickey Spillane*, and *I Love Lucy*.

Gordon Crowe has joined Transfilm-Caravel Inc. as dir. of business program services . . . Berton Schneider has been named assistant to Jerome Hyams, v.p. & gen. mgr. of Screen Gems . . . Mort Zarcoff has been promoted to production coordinator, NTA's creative programming dept. . . . William H. Duryea has been named supervisor of operations, NTA telestudios.

Paramount Pictures and the U.S. Army Pictorial Center will produce, and make available for TV, a 30-min. film tracing the history of the American Flag. Titled "Old Glory," it will be shot in full animation for Defense Dept.

Ziv TV has signed Fred Hamilton as exec. producer in charge of program development. Hamilton has been dir. of film programs for NBC.

HOLLYWOOD ROUNDUP

Revue Productions, operating at capacity last week, filmed 19 shows at its Universal City lot . . . Alliance of TV Film Producers Assn. has re-elected Charles Fries pres. Other officers: Bernard Weitzman, v.p.; Manning O'Connor, secy.; Robert W. Stabler, treas. . . CBS TV Workshop has signed composer Buddy Bregman to debut as a producer with "The Song and Dance Man," 60-min. musical.

Producer Jess Oppenheimer is planning a comedy series about two press agents. Pilot of the series, untitled, will be financed by NBC . . . California National's *Pony Express* series is moving from Metro to Desilu Culver . . . Producer-director Arthur Lubin plans a series, *Miss Woo of Hong Kong*, created by Kevin Delaney . . . NBC has optioned 13 more episodes of *5 Fingers* from 20th-Fox TV.

Producer Hubbell Robinson Jr. will film "The Reb," a 60-min. show, at Revue studios, for his Ford series . . . Desilu Productions has assigned Devery Freeman to produce "The Desilu Revue" as the Christmas show for *Westinghouse Desilu Playhouse* . . . Harmon Productions has been formed by Debbie Reynolds to produce her 3 specials for ABC as well as movies.

Screen Gems last week signed 3 new independent production companies to create programs for them: Richard Alan Simmons, David Swift and a group called the Writers Company, consisting of Richard Murphy, Marion Hargrove, Ivan Goff, Ben Roberts, Liam O'Brien and Paul Harrison. The last named is producer for the company.

Warner Bros. TV producer Harry Tatelman (*The Alaskans*, *Sugarfoot*) resigned last week to join CBS-TV as a staff producer. He will also develop his own series there. Bert Dunne succeeds him at WB . . . Desilu film editor Bud Molin has resigned to join Blue Jay Productions . . . H. Grant Theis, CBS-TV dir. of West Coast operations, has resigned. The network is dividing his duties between James Heslen, as dir. of live operations, and a film operations dir. still to be named . . . George W. Faust has been named Western mgr. of CBS-TV production sales . . . Milton P. Kayle has been named business affairs mgr. of ITC. He will continue as ITC's resident counsel-asst. secretary . . . Jack Garrison has been named v.p. for the Middle West div. of NTA program sales.

Four Star TV is planning a rotating-stars anthology series, and is negotiating for 3 feminine stars for the property . . . Paramount Television has signed Tandem Productions to produce series. Owned by producer-director Bud Yorkin and producer writer Norman Lear, Tandem will produce 6 pilots, including *Henry T* and *Meet Me at Danny's* . . . Cayuga-CBS's *Twilight Zone* has finished production for the season.

Fenady-Kershner-Adams (*The Rebel*) and Goodson-Todman are preparing a new series, *Joaquin Murietta*, to star Perry Lopez . . . Producer Martin Manulis, writer Rod Serling and director Ralph Nelson will play themselves in "The Man in the Funny Suit," a *Desilu Playhouse* segment about Ed & Keenan Wynn and their behind-the-scenes relationship in "Requiem for a Heavyweight," on *Playhouse 90* some seasons back . . . NBC has renewed the contract of producer David Dortort of its *Bonanza* series . . . Desilu Productions resident counsel & asst. secy. Arthur Smith has resigned to join the legal dept. of the William Morris agency.

Writers Still in Ferment: The Writers Guild of America has had a busy week. It made progress with one set of negotiations by deftly skirting the crucial issues of post-1948 movies sold to TV & pay TV. A breach was reached in the Guild's strike vs. the movie independents when 5 production companies signed Guild contracts, but the deals sidestepped the key points by stipulating that a post-'48 format would become operative only if & when an overall industry pattern is achieved. Inasmuch as the major studios have flatly refused any concession on the post'48 & pay-TV demands, such a pattern isn't imminent.

The Guild, in a move to strengthen its negotiation position, held a membership meeting at which a strike against the majors was authorized, and an assessment of \$25 per member plus 2% of his earnings was approved for a strike fund. Any member who continues to work for a company being struck will be expelled, it was agreed.

As though it doesn't have sufficient problems, the Guild is already preparing for a new set of negotiations, with the networks, major-studio TV operations and the TV independents. In these areas, the Guild is expected to seek higher minimums & residuals.

Independent producers who signed with the Guild were Stanley Kramer Productions, the Mirisch Co., Harold Hecht Productions, Pennebaker Inc. and 7 Arts Productions. Highlights of the formula agreed upon in the 5-yr. contract: Producers recognize the principle of payments to unions & guilds on post-1948s; writers will get 5% of gross from TV receipts after deduction of distribution fees; no percentage payment will be made on movies until they have recouped their production cost; same percentage provision will apply to pay-TV showings of movies; a 30% hike in minimum pay; separation of rights for original material either sold or written under employment, whereby writer reopen contract in area of movies produced for pay TV. reopen contract in area of movies produced for pay TV.

While the Guild for the first time got a formula for post-1948s and won a reopening clause for pay-TV payments, the situation depends entirely on what, if any, concessions will be made by the majors. They heretofore have adamantly refused to budge on the crucial issues. The majors' attitude is that if they give a percentage of post-1948 revenue to each guild, there won't be enough left to make it worthwhile selling such movies to TV.

AFM Hits Canned-Music Series: American Federation of Musicians, in an appeal to the union's 700 locals voiced last week by pres. Herman Kenin, has called for a boycott by AFM members of the products sold by sponsors of TV series, primarily film, that engage in what Kenin called "the growing practice of dubbing music made abroad at cut rates for use on so-called American-made shows." Taking note of the current trend toward quiz-inspired cleanups, Kenin termed dubbed music "a species of fraud."

Leading the list of series the union termed "unfair" was Four Star Television's 9: *Du Pont Show with June Allyson, The Rifleman, Richard Diamond—Private Detective, The Detectives, Johnny Ringo, Dick Powell's Zane Grey Theatre, Black Saddle, Tales of the Plainsmen, and Wanted—Dead or Alive*. Next came 7 from Ziv: *The Lockup, Bat Masterson, Sea Hunt, Tombstone Territory, Men Into Space, This Man Dawson, Man & the Challenge*.

Also listed: *Goldie* (Hutton Productions); *Death Valley Days* (Filmaster Productions); *Wichita Town* (Mirisch Co.-McCrea); *Lassie* (Jack Wrather).

Desilu for Sale? Reports were persistent in Hollywood last week that NTA is negotiating for the controlling stock interest in Desilu Productions, the company owned by Mr. & Mrs. Desi Arnaz. Miss Ball, the only Desilu principal who would say anything about this, acknowledged that NTA had made an offer "and there have been other offers," but added that she knew nothing of the status of the negotiations. When we asked Ely Landau in N.Y., the founder of NTA broke into howls of laughter. He said the reports were absolutely, totally, completely untrue, and besides he could never afford it.

The Hollywood reports say that conversations toward the sale were begun before Arnaz left the country recently, and that Desilu exec. v.p. Martin Leeds handled the negotiations. The deal, if concluded, would give NTA complete control of Desilu, including its Culver City and 2 Hollywood studios, and its entire backlog of film. Desilu acquired the RKO studios in Hollywood & Culver City in 1958, retaining ownership of Motion Picture Center studios, now called Desilu Cahuenga. Desilu was established in 1951 with the vastly successful *I Love Lucy*. At present it has 2 network series—*The Untouchables* & *Desilu Westinghouse Playhouse*—the latter recently having been cut back by the sponsor to an alternate-weeks show. Desilu also owns 50% of *The Ann Sothern Show* and *The Texan*, 2 series syndicated by NTA—*Grand Jury* & *U.S. Marshal*. (Miss Ball also told us last week that she may appear on Broadway next season, leaving TV for the first time since 1951. "I'll miss it—look at all it's done for me," she added.)

Strengthening the reports of a Desilu-National Theatres deal (not, however, directly involving the NTA div. of National Theatres) was activity last week on Wall St. On Nov. 4, a total of 49,700 NT shares were traded on the NYSE, closing at 14. At the American Exchange, 9,100 Desilu shares were traded, closing at 16 $\frac{3}{4}$. On Nov. 5, 29,000 NT shares changed hands, hitting a high of 14 $\frac{3}{4}$. Desilu activity involved 11,800 shares, closing at 17 $\frac{1}{4}$. In recent weeks, National Theatres stock has sold for about 11 and Desilu for about 14, so the market for both was obviously rising.

* * *

There were also reports that Metro is interested in buying the Hal Roach studios, in bankruptcy since Hal Roach Jr. and his associate, Alexander Guterma, became enmeshed in complex financial difficulties. Metro studio sources denied to us any interest in purchasing the Roach lot, but said they were exploring the possibility of renting space there because of increased production.

FCC Quizzes Producers: Just how much networks & ad agencies get into the telefilm producers' picture was being determined last week in Hollywood by 2 FCC attorneys who were interviewing key production executives. Seeking to learn the extent of network control, FCC attorneys Ashbrook P. Bryant & James F. Tierney were minutely exploring various TV film operations in Hollywood. They wanted to know from the producers what happens when a pilot is made, and how the company goes about trying to make its sale. Producers were reluctant to discuss their conversations with the attorneys, because public hearings are due to be held on the subject eventually, either in Hollywood or Washington (Vol. 15:44 p10). Among those interviewed were 20th Century-Fox TV production chief Martin Manulis and Four Star Television pres. Dick Powell.

Trade Report

NOVEMBER 9, 1959

PAUL V. GALVIN—PIONEER & LEADER: Paul Vincent Galvin, who died Nov. 5 of leukemia at the age of 64, fit perfectly the American image of the self-made man, pioneer and leader. The career of the founder & chairman of Motorola paralleled the transition of the radio industry into the wide & still uncharted domain of electronics.

The company he founded in 1928 on a capital of \$565 with his brother Joseph (who died in 1944) now calls itself the world's largest exclusively electronics manufacturer, with sales this year in the \$250 million range. The original Galvin Mfg. Co., founded as a maker of battery eliminators for radios, switched over in the depression's depths to a new product—auto radios—and has continuously expanded in electronics.

Under Galvin's direction, in addition to the first practical car radio, Motorola introduced the wartime walkie-talkie, pioneered in microwave and marketed the first TV set selling for under \$200. Galvin's keen business acumen was developed early in life—he began at the age of 11 or 12 as a popcorn butcher in his native Harvard, Ill., and by the time he finished high school he had 3 other youths working for him.

One of most popular figures in industry, his judgment & leadership were universally respected. Unlike some other electronics industry chieftains, he was no prima donna—and his soft-spoken tactful manner served industry well when, as pres. of EIA (then RMA) from 1942 to 1944, one of his most ticklish jobs was obtaining quotas of critical materials for the industry. He was awarded the EIA medal of honor in 1956 and was an EIA director at the time of his death.

His pioneering ideas extended into field of human relations—Motorola is regarded as one of the highest-paying manufacturers in the electronics industry and has the 2nd largest employe profit-sharing plan in American industry. The company he founded is considered one of most vigorous in the industry, perhaps because of Galvin's penchant for surrounding himself with young executives who shared his youthful outlook & drive. One of these men, who grew up with the company and has been pres. of Motorola since 1956, is son Robert W. Galvin. [For additional background on Paul Galvin and Motorola, see p. 19.]

TV COMPONENTS TO BE PLENTIFUL INTO 1960: Shortage specter is stalking TV components industry, but it isn't wearing a steel shroud. Makers of resistors, transformers, antennas, etc. are far more concerned with impending shortages in orders than with dwindling steel.

Impact of continuing steel strike on TV-set makers will hit & hurt component industry sooner & harder than backlash from its own steel & copper supply problems, we were told by a cross-section of major manufacturers in the component & TV accessory field. Their unanimity of situation, opinion and forecast makes this clear: All have ample inventories to fill orders. All have sufficient metal on hand to carry production into 1960's first quarter. All wish their customers—TV-radio-stereo makers—had it so good.

Some TV set makers have expressed opinion that steel strike's first effects will be felt in shortages of components (Vol. 15:40 p14). It just isn't so, said the component people we interviewed last week. "Mr. Components," Sprague Electric Co. chmn. Robert C. Sprague, summed it up: "We're feeling no pain in production, shipments or sales."

The pinch obviously is on the other foot, in the view of component producers. Centralab pres. William S. Parsons put it succinctly: "If the set maker can't get sufficient steel for chassis, cabinets, etc., he won't have any need for components." There are some signs now that set makers are beginning to get their backs against supply walls. One components major told us of a TV manufacturer which discarded aluminum cabinets because they flunked impact test. "Let this strike squeeze on a little longer," our source said, "and this TV maker will forget about impact tests. He'll have to." General feeling in components field is that set makers are starting to breathe hard as steel stocks dwindle, that retail sales are down in strike-distress areas, and that distributors & dealers are buying all the TV sets they can get in anticipation of a shortage come Christmas time.

Set makers' worsening position is mirrored by cutbacks in component requirements. Head of one of the largest component firms told us he completed a survey of TV-set makers within the past month. They

advised him they will require 5% fewer components for balance of this year than estimated earlier. "As always," our source told us, "they're overly optimistic, and we're discounting their cutback by another 5%."

Our survey disclosed little evidence of an impending price rise in components hinted by set makers in our recent price study (Vol. 15:44 p17). None of component people with whom we spoke foresee a price change this year; most say they probably will absorb any modest hike in steel prices which may develop at strike's end. Muter Co. Pres. Leslie Muter is one who believes a price increase—ranging up to 5%—is necessary to cover increased labor & material costs. "Whether we will get such an increase in this highly competitive industry is another story," he added.

This has been a good components year. People we spoke with report sizable gains in both sales & earnings over 1958. Here are comments of various leaders we surveyed:

Centralab: Pres. William S. Parsons (Chairman of EIA parts div.) told us his firm will have no production problems at least for the balance of this year. "If the steel strike continues after the first of the year, there will be serious consequences for everyone." Although TV-radio components no longer represent Centralab's dominant activity, sales are expected to show a 10% increase over last year's.

Chicago Standard Transformer Corp.: Sufficient electrical & cold-rolled steel is on hand to carry transformer production well into 1960, sales mgr. P. N. Cook told us. "We can supply industry's needs, and our production schedule for Nov. is so loaded we'll have to push to turn them out." Sales of TV transformers are some 10-15% ahead of 1958's level.

JFD Electronics: Pres. Albert Finkel reports no materials pinch for TV antennas & antenna accessories. At the worst, he foresees production continuing at no less than 90% of capacity for balance of year. Sales & orders are running some 25-30% ahead of 1958 year-to-date. "We build 70-75% of the antennas for portable TVs for original equipment manufacturers, and we have noticed no letup or cutback in orders."

The Muter Co.: Pres. Leslie F. Muter told us Muter is in "good shape" on steel stock, and components production is moving according to schedule. Production & sales pretty much parallel TV-radio production, and "there are no signs of component stockpiling" by customers fearful of shortages, he said. Despite strike's effects, he sees 1959's final quarter as a good one, and states that problem is not Muter's ability to produce, but customers' ability to buy.

Radio Condensor Co.: Operations v.p. Russell E. Cramer Jr. reports sufficient materials on hand to continue TV-radio component production well into 1960. "If a steel shortage develops, it will come late, after the strike is settled, because large industries will get first call on steel production. Industries such as ours will have to continue as best we can." He termed 1959 "an outstanding year," reported sales to date 30-35% ahead of 1958, with profits up strongly. Looking ahead: "We can make set makers' needs—the question-mark is their position as the steel strike continues. We have ample steel for production of auto tuners, for example, but that industry is hurting, and it looks as if the demand for auto tuners will be zero by Jan."

Sprague Electric Co.: Chmn. Robert C. Sprague said that his firm "to date has not been adversely affected by the steel strike. The biggest impact will be on our customers. If they can't get steel for their products, they won't need our resistors, capacitors and the many other items we make." Re possible price rises in components: "I wish I could say yes, but I do not foresee one. We are controlled by our customers & our competition. We have no plans at this time for price increases."

Standard Coil Products: Pres. James O. Burke foresees no production problems for balance of year, will begin to "worry" after that date. "We are more concerned about the prospects of our customers if the strike continues another 60 days. Some smaller & medium-size customers already are reporting some difficulty and some have had to go into the gray market. So far as components are concerned, we can deliver more TV tuners than will be required for a long time." Reporting business "very good," he said Standard's sales of TV tuners are 50% ahead of last year.

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 30 (43rd week of 1959):

	Oct. 23-30	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	158,503	180,048	121,465	5,194,643	4,067,806
Total radio	456,028	459,861	306,977	12,719,882	8,904,772
auto radio	125,056	135,912	56,071	4,683,268	2,679,618

OCDM & Japanese Imports: Six manufacturers have filed comments thus far in OCDM's investigation into EIA's complaint that imports of Japanese transistors & other semiconductor devices are undermining the U.S. electronics industry's defense capacity (Vol. 15:40 p16). They are: Arvin Industries, Sylvania, CBS Electronics, Radio Development & Research Corp., Clevite, Tung-Sol. Deadline for comments is Nov. 13.

All stress to the Office of Civil & Defense Mobilization: (1) High U.S. labor costs as compared with Japanese (at least 5 times higher). (2) Possible curtailment of research & development projects because of reduced profits. The manufacturers also say they have intensified efforts to increase the mechanization of transistor & other semiconductor production facilities to reduce high-cost hand labor now required, but that automation techniques are some years away.

CBS Electronics div. pres. Arthur L. Chapman predicted that, by 1960, assuming no corrective action is taken, the "annual import rate from Japan alone will be 50 million transistor units in radio products or as separate units, which will probably constitute 40% of the U.S. market . . ." Radio Development & Research Corp. pres. Kensington R. Gerlach suggested that the U.S. Govt. invite the Japanese govt. "to self-impose trade restrictions before . . . mandatory duties may totally exclude them from this increasing market." The Japanese govt. recently announced that it plans to "control" shipments of transistor radios to the U.S. (Vol. 15:41 p18).

The U.S. electronics industry "faces the prospect of crippling damage by competition whose labor costs are about one-fifth of ours," EIA pres. David R. Hull told IRE's Mid-America Electronics Conference Nov. 4 in Kansas City. Noting that Japanese electronics sales in this country have largely been confined to the entertainment field, where they have captured 25% of the U.S. transistor radio market, he pointed out that the entertainment market "primarily has paid for the research & development programs which have been the industry's life-blood." Continuation of the rate of Japanese transistor imports, he said, will make it necessary for the American people to "rely upon foreign producers for equipment indispensable to their security."

World's population is served by more than 9,000 transmitters & 300 million receivers, according to a new UNESCO study, *Broadcasting Without Barriers*, by George A. Godding, U. of P. political science asst. prof. who has worked with the International Telecommunication Union in Geneva. But nearly 60% of the world's population have inadequate service, the study reports, due to uneven development of broadcasting in various regions, lack of agreement on international frequency distribution and lack of program exchange between countries. Godding notes that 60% of the world's transmitters and 80% of its receivers are concentrated in North America & Europe and says there's a need for 350 million additional receivers to assure a set per family for underdeveloped areas, particularly Africa & Asia. He urges that standardized low-cost receivers be designed & mass-produced for this market. The study is available at \$3 per copy from UNESCO publications center, 801 Third Ave., N.Y.; Columbia U. Press, 2960 Broadway, N.Y.; UN Bookshop, UN Bldg.

Folding "pocket phono," battery operated, will be introduced soon by Emerson—to be imported from Britain.

Galvin of Motorola: One of the industry's most popular figures, Paul V. Galvin, who died last week at St. Francis Hospital in Evanston, Ill. (see p. 17), believed firmly in electronics and guided his company down a strictly-electronics path, even when competitors were diversifying into broad white-goods lines & other products.

Instead, Motorola diversified into non-consumer electronics fields after World War II, achieving industry leadership in mobile communications, while the firm reached a top industry position in radio and later in stereo, and became one of the "Big 5" of TV. (Motorola did go into one non-electronic venture—an automobile heater working on a new principle, which flopped.) Although he was not an engineer, he stressed research, development & engineering.

A leading Catholic layman, he was made a Knight of Malta & a Knight of St. Gregory by Pope Pius XII. His funeral will be Mon. Nov. 9 with a requiem high mass at Chicago's Holy Name Cathedral. He is survived by his widow, Virginia, his son, Motorola pres. Robert W. Galvin, a sister, a brother and 4 grandchildren.

First Mexican receiving tubes were produced in Sept. by Dispositivos Electronicos, S. A., the U.S. Embassy in Mexico reports. The company says that "a few thousand" miniature, 12-volt units were turned out in Sept. It predicts an output of 11,000 a week "soon," with a 100,000 per week goal for 1960. The embassy says that this production would satisfy most of the domestic demand. It also states that qualified observers report the factory is the most modern of its kind in the Western hemisphere outside the U.S. It is U.S.-equipped; supervisory personnel and some technicians were trained in this country. A large unidentified U.S. manufacturer is providing technical assistance on a continuing basis. The plant employs 100.

Philco's 4th quarter picture is cloudy because of the steel strike, pres. James M. Skinner said last week. But earnings for the first 9 months (Vol. 15:44 p21) already have topped 1958's total earnings. Although the firm's steel stocks are "still pretty good," with probably enough to keep producing until Dec., the strike's "cumulative effect on the economy [raises] the possibility that we won't be able to sell what we produce," he added. He anticipates that steel's shortage will be felt through the first quarter of 1960, but said "every indication is that we'll do better next year than in 1959." Skinner stated Philco will spend about \$7 million on capital building projects this year, probably \$14 million in 1960.

Development of printed circuits was commemorated in a special ceremony in Washington Nov. 6 at which EIA pres. David R. Hull was presented the 100-millionth Packaged Electronic Circuit (PEC) produced by printed-circuit pioneer Centralab div. of Globe-Union. In making the presentation before 150 representatives of the electronics industry and govt. officials, Centralab pres. W. S. Parsons recalled the development of the first printed circuit during World War II for the proximity fuze—a project considered "the second most important military secret," surpassed only by the atomic bomb. Hull plans to present the 100-millionth PEC to the Smithsonian Institution.

Color picture-tube production schedules are being "substantially increased" by RCA electron tube div. "to keep pace with the growing demand for color TV receivers," tube div. gen. mgr. D. Y. Smith announced last week.

Trade Personal: Elwood Reeves promoted from West Coast operations mgr., Magnavox, to TV-radio div. v.p. & sales mgr.; George Fezell named merchandise v.p. & special accounts mgr. . . . P. J. Casella, RCA consumer products exec. v.p., adds responsibility for RCA Distributing Corp. to his other duties, now reports direct to pres. John L. Burns . . . Robert A. Franklin appointed engineering mgr., Stromberg-Carlson . . . E. W. Riedweg promoted from plant engineering mgr. to gen. plant engineer, RCA Victor Home Instrument mgr. operations, Cambridge, O. . . . Richard B. Dreazen promoted from v.p. to pres., distributor Olympic of N.J. . . . Ben Snyder, Snyder Mfg. pres., is now on a trip around the world with Mrs. Snyder, surveying marketing conditions for Snyder International.

Robert L. Adams appointed gen. mgr. of P. R. Malory's new electronics div. . . . Carl B. Fryklund, ex-Warwick Mfg. Co., named regional applications engineering supervisor, Raytheon semiconductor div. . . . John A. Connon, ex-Denver, Colo., management consultant, named Stromberg-Carlson mktg. research dir. . . . Frank Cole named parts & materials engineering mgr., GE radio receiver dept.

J. Gerald Mayer, General Instrument v.p. & pres. of its Radio Receptor subsidiary, will head GI's new Defense & Engineering Products Group, which will combine the engineering, production & research facilities of the company's 6 major plants engaged in defense work; Rear Adm. Richard S. Mandelkorn (USN-Ret.), ex-Lansdale Tube Co. (Philco) dir. of planning and now exec. v.p. of GI subsidiary Harris Transducer Corp., will work with Mayer.

R. Edward Lawrence named industrial tubes & semiconductors merchandising mgr., RCA electron tube div. distributor products dept. . . . Edwin M. Hinsdale named chief engineer, RCA communications products dept. . . . Dr. Lloyd P. Smith, ex-pres., Avco research & advanced development div. of Avco Mfg. Corp., named research operations dir., Ford Motor Co. aeronutronic div.

Richard L. Paullus, mgr. of Western Electronic Mfrs. Assn. (WEMA) Jan. 1. becomes electronics research officer of Electronics Investment Management Corp., the investment managing firm for Charles E. Salik's San Diego-based Electronics Investment Corp. and Electronics Capital Corp.; Paullus will headquarter in Los Angeles. . . . Robert K. Miller, ex-pres. of Siegler's Holly-General div., named a Siegler v.p. . . . John R. Quinn promoted from Eitel-McCullough customer services dept. mgr. to mktg. operations mgr. . . . Walter Brehm promoted to sales & customer relations dir., Page Communications Engineers, Washington . . . Robert W. Armstrong, ex-managing editor of McGraw-Hill's *Electrical Merchandising*, promoted from PR mgr., RCA Whirlpool sales dept. to PR gen. mgr. for the company . . . Robert Johnston promoted from Fairchild Publications Philadelphia bureau chief to city editor of Fairchild's *Home Furnishings Daily*, succeeding James Antone, who becomes head of all Fairchild copy desks.

Export privileges of Ro-Nard Inc., N. Y., have been restored by the Commerce Dept.'s Bureau of Foreign Commerce following a temporary suspension for alleged defiance of regulations for shipping electronic materials from the U.S. (Vol. 15:44 p20). "Violations had been committed," the Bureau said, but investigation of the case showed that all of the respondents—Ro-Nard, its employe Mrs. Lily S. S. Wolfenson and Alberto Azar of Montevideo, Uruguay—"had not been involved in the arrangement."

Sylvania will introduce its first-half 1960 sales plans to distributors in a series of one-day meetings to be held in distributor home cities between Dec. 15 & Jan. 4, pres. Robert L. Shaw announced last week. The individual distributor meetings will replace Sylvania's usual Florida-staged mid-winter sales convention. Shaw said that "Sylvania's 23-in. line for 1960 has had tremendous acceptance by dealers & consumers and it is our intention to continue this line through June without change. Factory sales are 50% greater than a year ago. We plan only to round out the line by the addition of 3 remote-controlled 23-in. models."

TV-set production has been discontinued by Sylvania Electric (Canada) Ltd., Sylvania pres. Robert E. Lewis announced last week. The Canadian subsidiary, he said, will concentrate on the fields of lighting and other products not in consumer electronics fields. A study of the Canadian market has indicated that "the public is purchasing about 400,000 TV sets a year, while the company has a production capacity for 3 times that amount," Lewis said. "The outlook for the next 10 years does not indicate a sharp upturn in consumer demand for TV sets."

RCA's 40th anniversary was marked with a special 40-page color supplement to Nov. 1 *N.Y. Herald Tribune*, featuring articles about RCA's history, research, defense electronics, color TV, ETV, impact of TV, home electronics servicing, home entertainment, TV tape recording, small business & RCA, tubes & transistors, medical electronics, micro-miniaturization, computers, RCA Institutes, RCA Communications, etc., and ads by RCA divs. & suppliers.

GE will start construction this year of a \$14-million space-technology center on a 130-acre tract in Valley Forge, Pa. The completed facility will provide some 500,000 feet of floor space and employment for 5,000, including 780 engineers & scientists. The first construction phase will be completed in 1961 and the balance of the planned buildings will be erected in 1962-63.

Stromberg-Carlson has "no intention" of re-entering the TV-manufacturing business, pres. Robert C. Tait of the General Dynamics subsidiary told us last week in commenting on a report featured prominently in the trade press. Stromberg-Carlson, which quit TV production in 1956 (Vol. 12:4, 14, 31), has recently increased its consumer-products activities with a new line of "packaged component" stereo.

Negotiations for the purchase of IDEA Inc. by Conley Electronics Inc., Chicago, have been discontinued. Late last summer, the acquisition of the Indianapolis radio manufacturer seemed virtually a certainty (Vol. 15:35 p16), but a "technicality" has blocked the deal, according to Conley chmn. Edgar N. Greenebaum Jr.

Symphonic Electronics, N.Y. manufacturer of phonos & radios, is diversifying through purchase of Airnado Inc., maker of portable room coolers. Symphonic treas. Howard A. Jacobs will be pres. of the new Airnado subsidiary, succeeding James Simpson, who becomes Airnado gen. mgr.

Low-priced FM-only radio was announced last week by Zenith. The table set—named the Major—is permeability tuned, has 4-in. speaker, line-cord antenna, provision for outside antenna. It carries no suggested list price, but it's understood to be aimed at the below-\$40 market.

Two-way mobile radio business of Avia Products Co., Los Angeles, has been purchased by Du Mont Labs. Avia specializes in transmitter-receiver units for motorcycles, in-plant vehicles and open outdoor vehicles.

Finance

More Zenith Records: Zenith's net earnings & sales for both the 3-month & 9-month periods ended Sept. 30 established new records, chmn. Hugh Robertson announced last week. Net earnings for the 9 months were 42% over the comparable 1958 period, while the quarter's earnings were 25% ahead of last year. Nine-month sales were 37% higher than the record established last year, while 3rd-quarter sales were 29% over the year-ago figure.

Robertson said Zenith "obtained a 15%-larger share of the total TV industry volume" during the 9-month period as compared with the same 1958 period, "and further strengthened its hold on first position in the TV receiver industry." He said that unit factory shipments of TV sets for the period were 42% ahead of the same period last year, transistor portable radio sales 35% ahead, stereo "substantially ahead."

"The company has scheduled production for Nov., Dec. & Jan. substantially higher than any previous comparable months," he added, "and anticipates that its steel supplies will be adequate to produce these increased schedules." The report for 9 months ended Sept. 30:

	1959	1958
Sales	\$175,990,037	\$128,119,289
Net earnings	9,319,921	6,537,561
Earned per share	3.15	2.21
Shares outstanding ('59)	2,954,784	2,954,784
For 3 months ended Sept. 30:		
Sales	\$69,127,237	\$53,648,783
Net earnings	4,418,200	3,547,877
Earned per share	1.49	1.20

General Telephone & Electronics revenues topped \$1 billion in the 12 months ended Sept. 30 for the first time in any such period. For calendar 1959, chmn. Donald C. Power foresees gross revenues of about \$1.1 billion and earnings of \$70-\$72 million. He said Sylvania will have a very good year, and predicted 1960 GT&E gross "in the area of \$1.2 billion and net income of some \$80 million plus." Including Sylvania operations for all periods and for comparison purposes, GT&E made this report for the 9 months ended Sept. 30:

	1959	1958
Total revenues	\$772,583,000	\$641,368,000
Mfg. net sales	496,001,000	405,518,000
Net income	51,253,000	42,212,000
Earned per share	2.47	2.22
Average shares	20,475,000	18,767,000
For 12 months ended Sept. 30:		
Total revenues	\$1,016,679,000	\$861,395,000
Mfg. net sales	653,280,000	549,395,000
Net income	67,805,000	58,111,000
Earned per share	3.32	3.07
Average shares	20,167,000	18,673,000

Clevite Corp. sales & earnings gained appreciably in the quarter ended Sept. 30, with income for the 9 months ended that date reaching a total more than double that of the same period of 1958. Chmn. James M. Myers & pres. William G. Laffer said the improved performance mirrors advances of approximately 35% in both sales & earnings of Clevite electronic products. Gains in sales of semiconductors were particularly strong. For 9 months ended Sept. 30:

	1959	1958
Sales & other revenues ..	\$62,448,415	\$46,921,553
Net income	4,811,654	2,116,792
Earned per share	2.51	1.08
Shares outstanding	1,854,152	1,807,152
For the quarter ended Sept. 30:		
Sales & other revenues ..	\$19,651,000	\$15,047,810
Net income	1,414,000	931,000
Earned per share	73¢	49¢

Consolidated Electrodynamics, which plans to merge with Bell & Howell (Vol. 15:44 p23), continued its comeback from 1958's losses by racking up healthy sales & earnings gains in the quarter ended Sept. 30. For the 9 months ended Sept. 30:

	1959	1958
Net sales	\$31,618,306	\$24,191,673
Net income (loss in '58) .	1,381,740	847,338
Earned per share	1.29	—
Shares outstanding	1,068,229	1,063,786
For the quarter ended Sept. 30:		
Net sales	\$10,482,728	\$8,809,000
Net income (loss in '58) .	522,896	498,956
Earned per share	49¢	—

Gabriel Co. sales & earnings increased in the 3rd quarter ended Sept. 30, pushing the levels for the 9 months ended that date well above those for the first 3 quarters of 1958, pres. John H. Briggs reported last week. For 3 months ended Sept. 30:

	1959	1958
Sales	\$7,206,659	\$5,824,414
Net profit	106,022	104,832
Earned per share	15¢	15¢
Shares outstanding	675,838	661,038
For 9 months ended Sept. 30:		
Sales	\$21,760,115	\$15,954,345
Net profit	578,837	229,962
Earned per share	84¢	33¢

Arvin Industries reports substantial increases in sales & profits for first 9 months & 3rd quarter of 1959. For 9 months ended Sept. 30:

	1959	1958
Net sales	\$50,603,330	\$35,875,018
Net profit	1,686,451	569,536
Earned per share	1.49	63¢
Shares outstanding	1,129,659	899,025
For 3 months ended Sept. 30:		
Net sales	\$18,487,559	\$13,100,096
Net profit	591,367	278,777
Earned per share	52¢	31¢

Speer Carbon Co. nearly doubled earnings on a sharp sales increase during the first 9 months of 1959, compared with the N.Y. components maker's year-ago performance. For 9 months ended Sept. 30:

	1959	1958
Sales	\$17,474,065	\$11,527,508
Net earnings	1,553,938	795,498
Earned per share	1.74	88¢

Muter Co. scored healthy gains in sales & earnings for the 9 months ended Sept. 30:

	1959	1958
Net sales	\$9,690,656	\$8,659,037
Net income	237,211	189,801
Earned per share	30¢	24¢
Shares outstanding	800,313	762,729

Reports & comments available: Sylvania, prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 . . . RCA, report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Shell Electronics Mfg. Co., prospectus, Schweickart & Co., 150 N. Franklin St., Hempstead, L.I., N.Y. . . . GE, review, Schwabacher & Co., 100 Montgomery St., San Francisco 4 . . . Amphenol-Borg Electronics, report, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . Pacific Mercury Electronics, analysis, A. C. Allyn & Co., 44 Wall St. N.Y. 5 . . . General Precision Equipment, analysis, F. P. Ristine & Co., 50 Broadway, N.Y. 4 . . . Zenith and Philips Electronics, reviews, Hayden, Stone & Co., 25 Broad St., N.Y. 4.

Corporation	Common Stock Dividends			Stk. of Record
	Period	Amt.	Payable	
Dynamics Corp.	SA	\$0.50	Dec. 31	Dec. 15
Gen. Instrument Corp.				
Gen. Precision Equip.	—	.25	Dec. 15	Nov. 30
Gen. Tel. & Electronics	Q	.55	Dec. 31	Nov. 23
I-T-E	Q	.45	Dec. 1	Nov. 13
TV-Electronics Fund..	—	.71	Nov. 30	Nov. 2

Officers-&Directors stock transactions as reported to SEC for October:

Allied Artists. Albert Zugsmith bought 5,900, held 102,000.
 Ampex. Murray Innes Jr. sold 1,000, held 4,000 personally, 1,667 in trusts.
 Arvin. Ophie R. Bridges bought 1,125, held 1,125.
 Avco. Victor Emanuel sold 17,000, held 51,033. A. R. Kantrowitz bought 25,000, sold 19,200, held 16,000. Arthur E. Rasmussen exercised option to buy 6,500, held 7,538.
 Beckman Instruments. R. Erickson bought 300, held 800.
 Corning Glass. Howard C. Sheperd bought 100, held 350. R. Lee Waterman sold 400, held 700.
 Emerson Electric. Charles G. Gullede bought 100, held 613.
 Emerson Radio. Harold Goldberg sold 400, held 1,268. A. A. Vogel sold 1,000, held 200.
 GE. Lemuel R. Boulware bought 2,250, held 13,500. George E. Burens bought 2,700, held 8,100. Lewis J. Burger bought 125, exercised option to buy 435, held 2,627. William Rogers Herod exercised option to buy 3,568, held 11,544. George F. Metcalf bought 1,020, held 3,142 personally, 124 in profit sharing plan. Gerald L. Phillippe exercised option to buy 2,588, held 8,812 personally, 600 as custodian. Carter L. Redd exercised option to buy 450, held 3,205 personally, 8 through wife, 542 through son, 1,350 in trusts. Chauncey Guy Suits exercised option to buy 2,481, held 9,117. Arthur F. Vinson exercised option to buy 4,209, held 12,011 personally, 810 as custodian. Glenn B. Warren used option to buy 7,636, held 10,412. N. L. Whitecotton bought 285, held 2,598.
 General Telephone & Electronics. Harold V. Bozell received 285 on conversion of debentures, held 1,395.
 General Tire & Rubber. E. Willard Lutz sold 100, held none. John E. Powers bought 600, held 2,617.
 Hoffman Electronics. Bruce L. Birchard exercised option to buy 300, held 1,500. M. E. Paradise sold 1,000, held 5,666.
 IBM. John J. Bricker sold 275, held 816.
 ITT. Arthur M. Hill bought 1,000, held 13,500. Charles D. Hilles Jr. bought 5,000, held 16,232.
 Lear. Andres F. Haiduck sold 6,644, held 5,000. William P. Lear bought 5,000, held 444,767. Glen C. Warman sold 600, held none.
 Litton Industries. Charles R. Abrams Jr. sold 200, held 3,000. Charles B. Thornton sold 2,900, bought 45 through partnership, held 122,363 personally, 12,269 in partnership.
 National Union. Harry E. Collin sold 26,500 privately, held 150,000. Joseph V. McKee Jr. bought 20,000, held 22,200.
 Packard-Bell. John H. Sawyer exercised option to buy 300, held 510.
 RCA. Elmer W. Engstrom exercised option to buy 500, held 2,593.
 Vincent deP. Goubeau exercised option to buy 600, held 1,076. Joseph M. Hertzberg exercised option to sell 114, held 16.
 Raytheon. Ray C. Ellis sold 200, held 2,041. Richard E. Krafve bought 1,000, held 1,000.
 Reeves Soundcraft. Frank B. Rogers Jr. bought 21,000, held 26,260.
 H. S. Woodbridge sold 900, held 700.
 Servomechanisms. William W. Shannon sold 3,000 privately, held 81,585 personally, 53,665 in trusts.
 Siegler Corp. John G. Brooks used option to buy 2,000, held 29,929.
 Texas Instruments. Bryan F. Smith sold 900, held 12,569 personally, 159 in trust. E. O. Vetter exercised option to buy 3,000, held 7,888.
 Thompson Ramo Woolridge. John H. Kerr bought 100, held 100.
 Westinghouse. Mark W. Cresap Jr. sold 299, held 3,500. Thomas P. Jones exercised option to buy 125, held 324.

Globe-Union Inc. reports increases in sales & earnings for the 9 months ended Sept. 30:

	1959	1958
Net sales	\$46,117,251	\$41,043,507
Net income	1,414,597	845,694
Earned per share	1.70	1.02
Shares outstanding	830,048	824,910

Topp Industries Corp. has granted shareholders rights to purchase one share of common at \$17 each for each 2 shares presently held. Shareholders of record Oct. 28 will receive one non-voting warrant for each share held which will be exercisable from April 1 to Nov. 15, 1960. Delaware-based TIC also acquired Cal.-based Topp Industries Inc., currently has outstanding 957,042 shares of \$1 par common, with 6 million shares authorized.

Television-Electronics Fund Inc., open-end investment company, has proposed a 2-for-1 stock split, subject to vote at the Jan. 21 annual meeting. The Fund's net assets Oct. 30 totaled \$308,007,835, equal to \$15.86 a share.

Technicolor Inc. had a net loss of \$40,534 for the 40 weeks ended Oct. 3, compared with a net income of \$517,536 (26¢ a share) racked up in the same 1958 period.

Decca Records Inc. more than doubled its net income in the 9 months ended Sept. 30 to \$911,620 (60¢ a share) from \$394,260 (26¢) in the year-ago period.

Jerrold Electronics reports record sales & earnings for its fiscal first half ended Aug. 31, with profits for the 6-month period exceeding those of the entire fiscal year ended Feb. 28, 1959. The net income for the recent half-year period includes non-recurring income of \$284,240 (23¢ a share) representing the profit on the sale of the Key West, Fla. community-antenna system. Pres. Milton J. Shapp pointed out that Jerrold's 9 community-antenna systems served about 30,000 subscribers Aug. 31, an increase of more than 15% in a year. Jerrold's newest product, the TV-FM Receptor, an indoor antenna which slides over the electric cord, is now being produced at a rate of about 9,000 a day. Shapp said company may acquire a test-instrument manufacturer in its expansion program. For 6 months to Aug. 31:

	1959	1958
Sales & services	\$3,723,000	\$3,214,000
Net income	540,544	57,182
Earned per share	44¢	5¢

Muntz TV Inc. sales soared 66% and earnings increased 18-fold in the fiscal year ended Aug. 31, chmn. Floyd G. Dana reported last week. Calling fiscal 1959 one of the firm's most successful years, he said that Sept. earnings were \$124,858 on \$1,022,189 sales and that Oct. sales topped those of Sept. Muntz is devoting 90% of its production to TV receivers, he said. Hi-fi & stereo production make up the balance. During the coming year, the firm plans to double its production capacity. For the fiscal year ended Aug. 31:

	1959	1958
Sales	\$6,728,906	\$4,057,891
Net income	420,894	23,468
Earned per share	36¢	2¢
Shares outstanding	1,165,376	1,115,367

Du Mont Labs has turned the profit corner, pres. D. T. Schultz reported last week. For 16 weeks ended Oct. 11, the company had a profit of \$148,426 on sales of \$5,482,681. For the first 40 weeks of the year, the profit was \$30,754 on sales of \$14,726,117. The profits were not subject to federal income tax because of the company's tax loss carry-forward. No comparisons with 1958 were given, Schultz said, because "during the final half of last year substantial write-offs were taken as a result of the discontinuance of the company's consumer TV set & picture-tube businesses."

Admiral Corp. income statement for 3 months ended Sept. 30 (for 9-month report see Vol. 15:44 p21):

	1959	1958
Net sales	\$54,954,448	\$46,491,305
Net income	1,009,958	1,354,434
Earned per share	42¢	57¢
Shares outstanding	2,390,196	2,367,376

General Bronze reports substantial gains in sales & earnings for the 9 months ended Sept. 30:

	1959	1958
Net sales	\$27,254,584	\$18,436,429
Net income	655,253	384,104
Earned per share	1.71	1.01
Shares outstanding	383,937	380,377

Sylvania's \$25-million block of 5½% debentures (Vol. 15:44 p23) was oversubscribed shortly after going on the market Nov. 4. Priced at par, the sinking fund securities were quoted the same day at prices from 101.5 to 102.25.

Aerovox Corp. profit soared to \$505,000 on sales of \$17,079,000 for the 9 months ended Sept. 30, compared with \$155,000 earned in \$12,616,000 sales in the same 1958 period.

International Rectifier Corp. reports net income of \$271,283 (25¢ a share) for the quarter ended Sept. 30, up from \$200,137 (18¢) for the year-ago quarter.

Educational Television

ETV Teacher Hunt: Pressing its dragnet for gifted teachers to star in its \$7-million airborne ETV project (Vol. 15:42 pp3&12), the Midwest Council on Airborne TV Instruction (MCATI) last week appointed Dr. John W. Taylor national coordinator for its talent hunt (Vol. 15:43 p20) and blue-printed a program to have cast & courses assembled for video-taping by July 1. Taylor is also exec. dir. of the Chicago ETV Assn., which owns educational WTTW.

MCATI last week also requested ETV stations, chief state school officers, and school superintendents throughout the nation to submit by Dec. 1 nominations of superior teachers in their localities. The nominees will be screened shortly thereafter by a still-to-be-established panel of educators. Selected teachers will be given contracts and assembled around Feb. 15 at the project's Purdue U. control center to work with MCATI producers in the preparation & format of program courses. Participation in the program will necessitate a 12-to-18-month leave of absence from school duties, a MCATI spokesman told us, and the Council is currently working out a compensation plan for the selected teachers. MCATI will provide a pre-packaged program for each course—shooting script & necessary props—to enable local ETV stations to tape courses for MCATI teachers in their areas.

New NAEB constitution, approved at the Oct. 26-30 Detroit convention, provides for full-time paid offices of pres. and administrative v.p., and abolishes the positions of exec. dir. and associate dir. Dr. Harry J. Skornia and Harold E. Hill will become pres. and administrative v.p., respectively, effective Jan. 1, 1960. The 18-member board of directors will consist of a 6-member (one from each NAEB region) TV board with members to be regular employes of active NAEB member institutions that operate ETV stations. The same rule applies to the 6-member radio board. The remaining 6 board members will be an individual member director, 4 directors-at-large and the pres.

New ETV research grants of govt. funds under Title VII of the National Defense Education Act are scheduled to be awarded this month by U.S. Education Comr. Lawrence G. Derthick. They'll be picked from among 82 audiovisual project applications—3rd batch since the Federal program got under way early this year (Vol. 15:22 p11)—which have been screened by a special Office of Education advisory committee. Nearly ½ of the applications were for studies by state & local educational organizations and private agencies in school uses of TV. Tentative deadline for the next batch of applications in the program, financed by a fiscal 1960 appropriation of \$3 million: Feb. 1, 1960.

ETV films produced by TV-less U. of Mich. are now being carried weekly by one ETV (KQED San Francisco) & 21 commercial TV stations from coast to coast, bestg. dir. Garnet R. Garrison reports. The U. furnishes the films gratis to Mich. stations (10), charges out-of-state outlets a service fee. Last year, 36 TV stations in 25 states telecast 1,669 U. of Mich. TV programs. Program subjects range from astronomy & art to speech correction & atomic fallout.

Two new teacher-education courses for credit are being televised on educational WHYY (Ch. 35) Philadelphia this year: *Teaching of Developmental Reading in the Secondary Schools* (which will be presented during faculty-meeting time) & *Teaching of Elementary School Arithmetic*.

Foreign

TV Taboo in S. Africa: Taking no chances on video's voodoo influence on kids & natives, South Africa has decided that TV is unwelcome & unwanted in the land of the Boers. The govt.'s posts & telegraphs minister, A. A. Hertzog, has announced that South Africa has no intention of introducing TV, because of its possible "destructive effects on children & the less developed races." Said he: "In the cinema parents are able to pick films for their children. This is impossible with TV."

Non-aggression pact between TV & newspaper interests in southwest Germany to protect the latter against "undermining" competition for ad dollars is reported by Britain's *Advertiser's Weekly*. Involved in the unusual cartel agreement are Southwest German Radio and a newspaper group comprising the Society of Southwest German Newspaper Publishers, the Rhineland-Palatinate State Assn. of German Newspaper Publishers and the Southwest German Newspaper Publishers' Assn. In exchange for the newspapers' pledge to support its commercial TV operation and oppose the introduction of others, Southwest German Radio, says *Advertiser's Weekly*, has agreed to limit commercials to weekdays and to schedule them only in conjunction with a program at least 24 min. long. It also agreed to set up a TV policy council of 4 TV & 4 publisher reps whose "job will be the enforcement of the agreement, consideration of Southwest German Radio's commercial TV rates, and consideration of the form which the commercial TV programs should take."

Britain's commercial TV has completed its 4th year of existence with some 7¼-million TV homes within range of its 8 operating stations. This contrasts with the audience of 190,000 homes in existence when the service was initiated on Sept. 22, 1955. During the past 12 months alone, commercial TV's overall audience increased by some 6 million viewers, to a total of more than 26 million, according to TV Audience Measurement Ltd. Monthly gross TV ad expenditures have increased nearly 10-fold, from slightly less than \$2 million in Oct. 1955 to more than \$15 million in Oct. 1958. Independent TV in its first full year (1956) recorded gross revenues of nearly \$39 million, compared with an estimated spending of some \$157 million this year.

Scandinavian TV is holding firm against the blandishments of advertisers. No form of advertising or commercial TV programming is "acceptable" to the Norwegian, Danish and Swedish broadcasting systems, they reiterated jointly at the recent Scandinavian radio conference. Norwegian Bcstg. Corp. governor Kaare Fostervoll said that the sole purpose of the TV service is to create the best possible programming, and advertising "can contribute nothing to this end." Scandinavian advertisers have warned that a delay in establishing commercial TV will bring such services in from outside sources.

Successful applicant for Rhodesia's commercial TV service is Rhodesia Television Ltd. (RTV), whose associates include TV-radio-newspaper magnate Roy Thompson (whose British-U.S. interests include Scottish TV Ltd. and the St. Petersburg, Fla. *Independent*) and the big Philips of Netherlands electronics combine. Among the unsuccessful applicants (Vol. 15:33 p6): NBC & 20th Century-Fox, which were teamed with 4 top British ITV program contractors as Central African TV. The commercial TV service is expected to debut late in 1960, in Salisbury. Coverage will be extended to Bulawayo in the 2nd year.

Auxiliary Services

Anti-trust trial of Jerrold Electronics Corp. starts Nov. 9 in Philadelphia Federal Court. The civil action, filed by Justice Dept. in Feb. 1957 (Vol. 13:7 p5), charges Jerrold with violating Sherman & Clayton acts by restricting competition in the sale of community antenna equipment. Among specific charges: (1) That Jerrold has forced CATV operators to buy all equipment from Jerrold or none at all and forced them to enter into service contracts as a condition of obtaining Jerrold equipment. (2) That Jerrold threatened to install competing CATV systems in localities where system operators proposed to use its competitors' equipment or refused to pay engineering fees. (3) That Jerrold threatened prospective CATV operators with patent infringement suits unless they brought Jerrold equipment exclusively. (4) That Jerrold's acquisition of 7 CATV systems constituted a monopolistic action. Jerrold has denied all charges. Govt. attorneys estimate the trial will last 3 or 4 weeks. Jerrold is represented by attorney Israel Packel.

Westbury Electronics, Westbury, N.Y. maker of CATV & master TV antenna systems, has been purchased by Intercontinental Electronics Inc., Mineola, N.Y. maker of air traffic-control devices, telecommunication systems and industrial electronics.

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Pay TV's Cal. Hearing: The future of wired pay TV on the West Coast appeared dim following a hearing by the California State Assembly's interim committee on public utilities & corporations in Los Angeles last week. After hearing the testimony, state assemblyman Charles H. Wilson commented: "I think the public has been misled as to the nearness of this thing."

Most potent testimony came from William J. McLean of Pacific Telephone Co., who said that pay TV via telephone wires would be a multi-million-dollar undertaking which would take considerable time to develop. "We would have to build practically everything new," he said. At this point assemblyman Charles Chapel interjected: "We're talking about pie in the sky." The phone company executive nodded agreement.

Another witness, Manly W. Edwards, telephone & telegraph engineer for the California Public Utilities Commission, testified that he did anticipate that present telephone facilities would have to be doubled because engineers are working on a method to carry TV signals through ordinary telephone wires. This is in the future, however, he added.

Both Edwards and McLean said the telephone company would require a substantial bond or other guarantee from pay-TV companies before risking many millions of dollars on new installations.

PUC chief counsel William M. Bennett said that new legislation would be necessary before PUC could control pay TV inasmuch as it had been declared neither a telephone service nor a public utility by Cal. Supreme Court.

Committeemen were angered by Skiatron's failure to send a representative to the hearing, and threatened to subpoena Jerome Doff, Skiatron executive. Some said Doff's absence suggested he didn't want to answer questions.

Telemeter v.p. Chester I. Lappen explained his company's pay-TV system and said his firm would use leased wires. He denied that pay TV was a threat to free TV. Hal H. Schwartz of Angel Tollvision described his form as a voluntary, subscribed-in-advance pay television. It would advertise a proposed show and if enough indicated willingness to see it, it would be shown on regular channels, with the viewers who requested it being billed later.

Mrs. Fred S. Teasley, radio-TV chmn. of the Cal. Federation of Women's Clubs, stated that all divisions of her group (total membership 80,000) have expressed overwhelming opposition to pay TV. She said pay TV would eventually kill off free TV, and deprive millions of low-income families of the present service.

Proposed vhf booster rules were discussed by FCC again last week but no decision was reached, and they're due to come up again Nov. 18. Meanwhile, the Senate Commerce communications subcommittee scheduled hearings on boosters & CATV in Casper, Wyo., as an addition to those conducted by Sen. Pastore (D-R.I.) Oct. 26-30 in Helena, Mont., Idaho Falls, Ida., Salt Lake City & Denver (Vol. 15:44 p9). Sen. McGee (D-Wyo.) will preside.

TV guard for unattended apartment elevators in N.Y. apartment houses is under consideration, despite objections from some tenants that TV is a poor substitute for an attendant in the event of emergencies (breakdowns, attacks by thugs). The closed-circuit system provides a ceiling-mounted TV camera which projects a continuous picture of the elevator interior to a TV monitor in the lobby.

Translator CPs granted: Ch. 71, 73 & 76, Florence, Ore., to West Lane Translator Inc.

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

UNCERTAIN WEIGHT OF FCC PROGRAM INQUIRY is apparent from the compromise nature of the expanded investigation. Industry waits to see amount of push behind it (p. 1). Official order (p. 4).

Advertising

SPONSORS MUST SHARE CLEANUP of any questionable practices in TV programs & commercials "or give up" to outside regulation, warns new ANA chmn. Donald S. Frost at Hot Springs (p. 6).

NEXT TARGET—COMMERCIALS, as TV probes continue. In N.Y., DA Frank Hogan seizes commercials for Regimen Tablets to examine them for possible fraud (p. 5).

Film & Tape

OVERSEAS FILM SALES BARRIERS increasing, as new TV-film export group plans organization meeting. Mexico's Azcarraja joins Cuba's Mestre in Latin film combine (p. 2). Other stories (p. 16).

Programming

STATION MANAGERS REPORT ON ETV: Our questionnaire to all commercial telecasters in U.S. & Canada draws reports on a flood of ETV programs (pp. 3 & 9).

RATING SURPRISES GALORE in first national report of new fall season. The new 60-min. film shows have not done well (p. 10).

Congress

HARRIS RELOADS HIS GUNS for new investigative campaign against suspect TV-radio practices. Prime target: Payola. Target date: Dec. 9 (p. 8).

Manufacturing & Distribution

INDUSTRY'S FINANCIAL HEALTH excellent, our 22-company financial sampling showing 3rd-quarter profits up 22.9%, 9-month profits up 24.2% over last year (p. 18).

"RE-DEFERRED" TV SET BUYING as result of steel-strike uncertainty prompts one researcher to cut 1959 sales forecast to 5.7 million sets (p. 19).

TV-RADIO SALES & OUTPUT continued to run ahead of 1958 in Sept. First 9 months' retail TV sales totaled 3,811,784 units vs. 3,468,090 in 1958 (p. 20).

COMPONENT SALES SOAR in biggest rise since Korean War. New govt. study shows first-half 1959 tube & parts shipments 30% ahead of comparable 1958 period (p. 20).

JAPAN'S "DANGEROUS GAME" of limiting imports while flooding U.S. with certain product lines criticized sharply by Commerce Dept.; restrictions hinted (p. 21).

Networks

NBC'S POST-QUIZ AFFILIATES MEETING is told by Chmn. Robert W. Sarnoff that industry must work to "challenge the hysteria" created by quiz hearings. Plans for new TV, radio shows are meeting highlights (p. 7).

Stations

2 NEW UHF STATIONS on air, 2 uhf's resuming operation, raising U.S. station count to 560. Two new Canadian outlets make their debuts (p. 13).

Other Departments

PERSONALS (p. 12) **FINANCE** (p. 22) **AUXILIARY SERVICES** (p. 24).

UNCERTAIN WEIGHT OF FCC PROGRAM INQUIRY: FCC's enlarged & intensified inquiry into programming, including radio as well as TV (for full text of order, see p. 4), will be exactly what Commission chooses to make it. It can be too tough, too easy or something between.

Move was a compromise, palatable to all. Obviously, an all-out job is goal of Comrs. Ford & Bartley, who have frequently made clear their views that law requires them to keep sharp eye on programming (Vol. 15:43 p1). Comrs. Lee & Cross aren't far behind them currently. Chmn. Doerfer has grave doubts about how far FCC can go, but he's heartily in favor of exploring Commission's legal powers over programming, which is part of expanded inquiry. Other 2 FCC members, Hyde & Craven, are in Geneva—but their records indicate that Craven would lean strongly toward Doerfer's views, Hyde toward the others.

FCC is asking for everyone's ideas on how to conduct the investigation, will accept them in a public hearing "shortly," date to be determined. It asks for "comments & suggestions of organizations & individuals who have a contribution to make to this study."

Networks offered no reaction to FCC move—but they can be neither surprised nor happy. FCC inquiries are frequently tedious & non-sensational but they often result in tightening of controls. Commission's original network study of business practices produced staff recommendations that FCC majority believed it

couldn't ignore even if it wanted to. Hence, it voted to knock CBS & NBC out of spot sales business, proposed to cut option time from 3 to 2 1/2 hours per segment of day and has generally forced networks to hew closer to the line of existing network regulations. These are but a fraction of the major recommendations of network study staff, but they're all in direction of strictness.

Not the least of networks' worries is Justice Dept.'s study of quiz-rigging and FCC's powers, being conducted on orders from President Eisenhower. Justice Dept. has opined, time & time again, that option time is illegal, and President's assignment gives it perfect opportunity to assert that such things as quiz scandals couldn't happen if there were no option time—the theory being that stations have abdicated program control.

Chances are Justice Dept. will go to court to attack option time. Even judges are human, so the embattled networks can scarcely regard this as an auspicious time for such a suit.

Important question of new, expanded programming inquiry is size of investigating staff. Commission hasn't yet decided how big to make it. It has only 2 lawyers on project now, full time—Ashbrook Bryant & James Tierney. From time to time, it has used economist James Sheridan and attorneys Robert Greenburg & John Bass. In fact, the group has had no chief since economist Warren Baum resigned many months ago.

Commission has no special fund for the programming study. This is unlike the original "network business practices" study, ordered by Congress, which appropriated \$225,000 for the job. Thus FCC will have to divert staff members from other chores, possibly could hire a few new people. Some Commissioners believe the project will eventually grow as large as the first study which took about 2 years.

The man who headed FCC's original network study, U. of Cincinnati law school dean Roscoe Barrow, gave us this reaction to Commission's announcement: "I'm glad to note that they're going to do this. After all, the study we made had as its objective better program service. However, if some of the recommendations we made, which apparently haven't met with FCC approval, were adopted, such things as these quiz scandals might have been avoided.

"If networks were licensed directly, this kind of thing would not have happened. It could have been detected earlier. It's not effective to regulate networks through affiliates, because of the networks' superior bargaining power. "The things we went into were far, far more significant than these current symptoms that excite the man in the street."

SPONSORS MUST SHARE CLEANUP: Advertisers are responsible in TV programming, as much as any other segment, for seeing that there are no more quiz scandals. This far-reaching warning was voiced last week to the Hot Springs meeting of Assn. of National Advertisers by its new chmn., Bristol-Myers vp Donald S. Frost (see p. 6). ANA met issue squarely. "Clean up—or give up," said Frost who pulled no punches in stating that sponsors must watchdog "every aspect of TV with which we are connected." It was also important, Frost stressed, that policing not be enforced by Government, but by sponsors themselves.

Cleanup applies to commercials as well, in view of ANA, although the organization (whose 650 members include virtually every major TV sponsor) has no regulatory powers other than heavy moral pressure. Cooperation between ANA & NAB is under way in commercial realm, with new liaison established between ANA and TV Code Review Board headed by Westinghouse Bcstg. Co. Pres. Donald H. McGannon. He promised ANA that NAB would "resist without compromise" any outside regulation of TV.

ANA stand completes united front in TV industry favoring examination of current practices, axing of dishonest shows & commercials, and a self-regulated future. Networks, NAB, affiliate groups, agencies and now sponsors are all talking same cleanup language.

FIGHTING OVERSEAS FILM SALES BARRIERS: Size of foreign TV market for U.S. programs has never been accurately measured. While overall U.S. overseas TV film industry sales have been estimated at \$20 to \$30 million a year (Vol. 15:30 p2), many film people say there's very little gravy in it because of mounting foreign restrictions and other barriers.

Examples: Japan has low price-ceiling and limit on number of overseas-produced films for TV. England permits only 14% of its TV time to be occupied by foreign-produced films (which means only 5 to 7 hours per week per channel). In Canada, there's the proposal that 55% of programming must be Canadian in content or origin. Then there's the new & solid Latin American film-buying organization, controlled by the most powerful station owners, which some distributors think is designed to force prices down.

On top of such problems as these, there is a maze of other roadblocks to doing business overseas—currency restrictions, customs red tape, censorship, etc.

That's why virtually all TV film distributors doing business overseas have reacted favorably to the new TV-film export group now being formed by group headed by William H. Fineshriber Jr. (Vol. 15:40 p2). Patterned after Motion Picture Export Assn., the as-yet-unnamed organization is designed to represent U.S. TV-film industry abroad in dealing with obstacles to free & profitable distribution of American programming.

The new group, chaired temporarily by CBS-TV stations Pres. Merle Jones, has drawn up its prospective organizational papers. The 24 film companies in the international field have been sounded out and are expected to be represented at organizational meeting early next month. Initial annual budget for the group is projected at about \$165,000.

The station-owned Latin American film buying & distribution organization Television Interamericana S.A. (Vol. 15:40 p2) has been greatly strengthened by the addition of Emilio Azcarraga's Telesistema Mexicano to the roster of owners. The group is now owned jointly by Goar Mestre's Cuban interests (CMQ & CMBF networks), the John G. Johnston-Goar Mestre Puerto Rican interests (WAPA-TV San Juan), Azcarraga's Mexican TV empire, Radio Caracas of Venezuela, and telecasting interests in El Salvador. Cuban, Puerto Rican & Mexican groups are believed to own about 20% interest each in TISA.

TISA's principal goal is to purchase Latin American rights to U.S. film properties, dub them into Spanish, and distribute them to both TISA members & non-members in Latin America. Since TISA's stated aim is to "supply a reasonable percentage of the film needs of Latin America," many U.S. film distributors believe it can only depress prices and limit the market.

It goes without saying that any group which combines the empires of Mestre and Azcarraga is a force to be reckoned with in Latin American TV. And organizers of the new U.S. TV-film export group point to this new Latin united-front film buying combine as another strong reason U.S. film sellers must also have united front in their overseas dealings.

ETV ON COMMERCIAL STATIONS: Educational programming for education's sake is an accepted responsibility on almost all U.S. & Canadian commercial TV stations, our latest station-manager questionnaire (Vol. 15:38 p4) indicates. Roughly one-third (182) of 561 commercial stations queried (now 566) replied to our questions on their ETV programming policies—and 93% of respondents reported telecourses ranging from art to zoology, for students at elementary to college levels.

Serious tenor of commercial-station telecourses for credit is mirrored by number of programs which offer viewers such scholastic points. Some 62% (113 of 182) of stations reported 159 credit programs.

Program affiliations with local boards of education were reported by 77 stations (42%), and they had tie-ups with 90 boards.

Commercial telecasters give minimum programming time to purely academic shows which neither offer credits nor have sponsorship of education institutions, our survey noted. Queried as to such academic programming (language instruction, course in pottery-making, etc.), 122 stations reported none. The other 60 stations (32%) carry 100 such programs.

We also asked station executives about programs they rate as "educational," even though they did not fall into our survey's 3 credit-bearing, board-of-education-sponsored, or academic categories. Only 81 of the 182 stations fed us blanks in this category. The other 101 stations (55%) noted that they telecast 205 programs they rate as falling into this "educational" category. (For additional details, see p. 9).

The FCC

CATV problems are scheduled to come before FCC again in its Nov. 18 meeting. The question is whether to examine station-CATV conflicts in an oral "legislative" hearing before the Commissioners. FCC once conducted an extensive inquiry based on written presentations, but hearings conducted this summer by the Senate Commerce committee (Vol. 15:29 p4) led the Commission to consider whether a new, oral presentation is needed. Also due Nov. 18 is vhf booster rule-making discussion (Vol. 15:44 p11).

CBS & NBC will appeal the FCC decision ordering networks out of the business of acting as station rep for affiliates (Vol. 15:41, p1). Dates & manner of appeal were undecided as of late last week, we were told by network legal executives. In going to the courts with the stop-rep decision, the networks take a risk even if they win the case. This is because the courts have sometimes gone beyond the confines of the case at hand and issued judgments expanding the powers of FCC in other areas.

CP for Ch. 8, Iron Mountain, Mich. was granted to the owners of WFRV (Ch. 5) Green Bay, Wis.

*Full text of***FCC'S ORDER FOR INVESTIGATORY PROCEEDING**

Before the Federal Communications Commission, Washington 25, D.C. In the Matter of Study of Radio and Television Network Broadcasting. Docket No. 12782.

At a session of the Federal Communications Commission held at its offices in Washington, D.C. on the 9th day of November, 1959;

WHEREAS, on February 26, 1959, after a substantial preliminary inquiry, the Commission by its Order (FCC 59-166) and Public Notice (FCC 59-168) directed that inquiry be made pursuant to Section 403 of the Communications Act of 1934, as amended, to determine, among other things, the policies and practices pursued by the network licensees and others in connection with the production, selection, licensing and supervision of programs for television exhibition and the effect of such policies and practices on the public interest, and that a public investigatory proceeding be instituted for that purpose; and

WHEREAS, pursuant to said Order, such inquiry is continuing and public hearings have been and will be held with regard to certain phases of the network television program selection process; and

WHEREAS, in the course of such inquiry and from other sources, information has been reported to the Commission which tends to show that certain practices have been carried on by broadcast licensees and employees of such broadcast licensees and other persons in connection with the election, supervision and broadcast to the public of programs and other material, which practices appear to be contrary to the public interest; and

WHEREAS, under the Communications Act and the policies promulgated by the Commission thereunder, the selection, supervision and broadcast to the public of programs and other material including advertising is the primary responsibility of the licensed broadcaster subject to the duty of such broadcaster so to exercise that responsibility as to serve the public interest in terms of the needs and interests of the community which such broadcaster is licensed to serve; and

WHEREAS, under the provisions of the Communications Act of 1934, the Commission is empowered and directed to grant applications for construction permits, station licenses and modifications or renewals thereof for radio and television broadcast stations only after the Commission has made a determination that the public interest, convenience or necessity will be served thereby and, in making such determination one of the relevant factors considered by the Commission includes the policies and practices pursued and carried on by the applicant in the exercise of his responsibility to select, supervise and broadcast programs and other material including advertising which meet the public interest and the needs and interests of the community served by such broadcaster; and

WHEREAS, this Commission has from time to time in its decisions and otherwise laid down certain general standards for the guidance of licensed broadcasters in the exercise of such responsibility, nevertheless, in view of recent information concerning certain program practices, it is desirable to review the extent of the Commission's authority in connection with programming, in the light of the censorship prohibitions of Section 326 and certain court decisions, to determine whether or not legislation should be recommended to the Congress; and

WHEREAS, such general standards have been recognized and accepted by networks, licensees and other components of the industry and have in their essentials been adopted and set forth in codes and rules of conduct issued by various groups within the industry; and

WHEREAS, such general standards include such concepts as decency, propriety, fairness and balance in connection with the presentation of broadcast material to the public; and

WHEREAS, many or most of such standards were laid down by the Commission prior to the advent and development of television broadcasting; and

WHEREAS, the rapid development and expansion of television network broadcasting has had a direct and important impact on radio broadcasting and has, in large measure, altered and changed the nature and character of the policies and practices pursued by many radio broadcasters affecting the type and content of programs and other material broadcast to the public and has also affected the use of radio as an advertising medium; and

WHEREAS, coincident with the expansion and development of television there has been a large increase in the number of licensed radio and television broadcasters which has greatly increased and complicated the problem of proper and adequate review by the Commission of the policies & practices pursued by its broadcast licensees; and

WHEREAS, in view of the foregoing, and in order to enable it properly to exercise its duties and responsibilities in connection with the program and advertising material broadcast to the public through the facilities of licensed broadcasters, the Commission has determined that inquiry should be made and that information and data should be obtained regarding the policies and practices pursued by radio and television licensees and others affecting the program and other material broadcast to the public:

NOW THEREFORE, IT IS ORDERED that the inquiry and investigatory proceeding instituted pursuant to the Commission's Order of February 26, 1959, (FCC 59-166) be and is hereby amended and enlarged to determine the policies, practices, mechanics and surveillance pursued and carried out by networks, station licensees and others in connection with the acquisition, ownership, production, distribution, selection, sale and licensing of programs for radio and television exhibition and the policies and practices pursued by networks, station licensees and others in connection with the selection, presentation and supervision of advertising material for broadcast to the public and the reasons and necessity in the public interest for said policies and practices, and that in such inquiry information and data be obtained relevant to the following questions:

1. whether and the extent to which policies and practices being pursued by some broadcast licensees in the field of programming and advertising are inimical to the public interest;

2. whether and the extent to which the general standards heretofore laid down by the Commission for the guidance of broadcast licensees in the selection and broadcast of programs and other material to the public are adequate in view of the changed and chang-

ing conditions in the broadcast industry;

3. whether and the extent to which the Commission should, by the exercise of its rule-making power, set out more detailed and precise standards for the guidance of broadcasters in the exercise of their responsibility;

4. whether and the extent to which the Commission's present policies and procedures in the review and consideration of the performance of its broadcast licensees in the field of programming and advertising is adequate, in view of the greatly increased number of such licensees; and

5. whether the Commission's authority under the Communications Act of 1934, as amended, is adequate for these purposes or whether legislation should be recommended to the Congress.

FEDERAL COMMUNICATIONS COMMISSION
Mary Jane Morris, Secretary

FTC's Kintner Defends Agencies: FTC Chmn. Earl W. Kintner, who has reacted to TV quiz show scandals by stepping up campaigns against frauds in his advertising jurisdiction (Vol. 15:44 p45), thinks there is nothing wrong with much-criticized govt. agencies that self-improvement can't fix. In a slashing counterattack on proposals by ex-CAB member Louis J. Hector that administrative agencies, including FCC, be stripped of their quasi-judicial functions (Vol. 15:35, 39), Kintner told the anti-trust section of the Ill. State Bar Assn. in Chicago that such schemes to reform procedures are "utopian."

"Horrible examples" of agency inefficiency can always be found by critics of the system, Kintner said, but if "the sole question is how to accomplish govt. regulation of business in the most effective & least burdensome manner, and if pragmatism rather than adherence to philosophical criteria is to be the guide in this undertaking," then: "The administrative process itself should not be abandoned for an untested utopian alternative [of special administrative courts] until it can be demonstrated that the administrative process would be ineffective even if improved to the limit of its capabilities."

Such "new critics" of the agency system as Hector, said Kintner, maintain that "a cure-all" for its faults "is to transfer the policymaking functions of the administrative agencies to the executive branch." He conceded that the present system "lacks the neat lines of control & tables of organization that so gladden the heart of the technocrat."

"But this nation is a democracy, not a technocracy," Kintner pointed out. "Throughout our history we have been willing to sacrifice theoretical neatness for practical accomodation."

Retrial of ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside on Miami Ch. 10 conspiracy charges, scheduled to start Nov. 12 in Washington's U.S. District Court (Vol. 15:45 p10), has been postponed indefinitely. Judge Charles F. McLaughlin agreed with arguments by defense counsel Arthur J. Hilland & Nicholas J. Chase that it wouldn't be "regular" to proceed with the 2nd trial until the Supreme Court decided whether it would hear an appeal stemming from the first 14-wk. trial, which ended in a hung jury. The lawyers said the original indictment & official papers in the case, in which Mack & Whiteside are accused of plotting to rig the Miami grant for WPST-TV, hadn't been processed through the Supreme Court.

Advertising

Next Target—Commercials: A sweeping probe into all aspects of audio-visual deception in TV commercials was looming last week as various sectors of the industry, from advertisers (see ANA meeting story, p. 6) to TV investigators, began to make their moves.

In N.Y., DA Frank S. Hogan—already involved in his own quiz-show cleanup—swooped down on Drug Research Corp., manufacturers of Regimen Tablets (a reducing aid preparation), and on the Regimen ad agency (Kastor, Hilton, Chesley, Clifford & Atherton) to seize kinescopes of Regimen's spot TV commercials and other books & records. Hogan stated his action was prompted by consumer complaint that the commercials, which feature name personalities in a "before & after" technique and are backed by a \$1-million 1959 Regimen ad budget, were misleading. His office, Hogan stated, had been looking into TV commercial misrepresentation for the past 6 months.

With the FTC, FCC and House subcommittee on legislative oversight now moving into crackdowns on "false & misleading" TV ads (Vol. 15:45, p2), the networks were—despite the general nervousness this season—remarkably unruffled, we discovered in a 3-network checkup.

"We go to a great deal of trouble to consult the Better Business Bureau, Dun & Bradstreet and others concerning advertisers & commercials," Stockton Helffrich, NBC radio-TV continuity acceptance dir. told us, adding, "the FTC investigation is slightly misleading. We send copies of all commercial scripts to them anyway."

A similar comment was voiced by Helffrich's opposite number at CBS-TV, Herbert Carlborg. "We spend hours going over commercial storyboards with agencies, consulting with medical authorities and testing products in laboratories," Carlborg told us. On the subject of visual trickery, he added that "there's some of it in all advertising. So long as it's not deceiving the public, it's acceptable."

Grace Johnsen, who holds a similar censorship post at ABC-TV, prepared a press statement in answer to commercial cleanup queries which stated, in part, that her continuity acceptance dept. "reviews all broadcast material, including advertising copy, and requests substantiation for any claims it deems necessary. It has always complied with requests for commercial copy from the FTC."

The networks do not send, we learned, completed versions of all televised film commercials. What they actually deliver to FTC are scripts on live commercials in network-produced shows, film commercial scripts submitted in advance by agencies, and telecast dates. Filmed commercials are reviewed by the networks (whether or not the script for it has been sent to FTC) prior to broadcast, and any further action is up to FTC monitors.

The question of commercial honesty was also touched on Nov. 11 by a luncheon panel discussion staged by the Art Directors Club of N.Y. at the studios of Videotape Productions to tackle the subject of "the art director's responsibility for fixing the taste level of TV commercials." Stated William Duffy, senior TV art dir. of McCann-Erickson: "I don't think an art director's job involves truth & believability in commercials, but certainly such elements shouldn't hurt product sales." Said Jack Sidebotham, TV art dept. dir. of Y&R: "I'd like to differentiate between frauds (in TV commercials). As far as studio substitutes for cake icing or heads on beer are concerned, I think they are an allowable expediency. The question is that of real cheating vs. producing what the audience is likely to see anyway."

More about

ANA ON RESPONSIBILITY: Advertiser concern with the blight cast on all advertising by the TV quiz scandals was noticeable at the ANA meeting (see p. 2). To draft the hard-hitting statement voiced by new Chmn. Donald S. Frost, the ANA Board had met for 14 hours behind closed doors. Henry Schachte, retiring ANA chmn. and exec. vp of Lever Bros., stated later that "we're trying to tell our own members as strongly as possible that this is a serious situation."

ANA members were told they weren't alone in this concern. Finding an answer to the quiz scandals would be "a matter of first importance" to NAB's TV Code Review Board, declared the group's chmn., Westinghouse Bestg. Co. Pres. Donald H. McGannon. "When you catch a speeder, you arrest the driver, not the automobile," said McGannon in a talk to ANA members. "There have been suggestions that legislation can correct the possibility of such a thing recurring. If statutory language can be written to correct the situation, then voluntary self-regulatory language can be so written, and I can assure you that it will be observed by broadcasters."

The pros & cons of advertiser control in TV programming were debated before the ANA Nov. 9 by a guest panel representing the viewpoints of critic (columnist John Crosby), network executive (NBC-TV sales vp Don Durgin), agencyman (Grey Agency exec. vp Alfred Hollender) and producer (Warner Bros. TV sales vp Rodney Erickson), with Lever Bros. media dir. Howard Eaton as moderator.

WB's Erickson and critic Crosby suggested that editorial control over TV should be held by networks & producers, with advertisers buying insertions in the style of British commercial TV. Durgin & Hollender held out for less than full control at the network level, urging that it be shared by advertisers & networks. Large advertisers prefer to keep some control, Erickson stated, adding that "perhaps 3 out of 4 would be willing to relinquish control." As a sidelight, Erickson also stated that production prices & residual participations for telefilms had risen to the point where "the producer must break even on his negative costs on the first run." Fewer programs with more repeats was suggested by Erickson as one solution, with the "unlimited" profit potential of pay TV as the major alternative for producers, who are reaching a point of no return."

George J. Abrams, ex-Revlon ad mgr. now pres. of the Richard Hudnut div. of Warner-Lambert Corp. and a member of ANA's board, voiced a further thought on the quiz scandals at the ANA meeting last week. Abrams, who testified at the Washington hearings, said he thought ANA should bring "strong influence" to bear on any advertiser indulging in "deceptive practices."

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Some toothpaste commercials are as "rigged" as TV quiz shows exposed by the House Commerce legislative oversight subcommittee, according to secy. Dr. Harold Hillenbrand of the American Dental Assn. "Unsupported advertising claims continue to give TV viewers as well as readers a false sense of security [about mouth hygiene]," he said in a statement which followed up other criticism of dentifrice commercials by ADA Pres. Dr. Paul H. Jeserich and Health, Education & Welfare Secy. Arthur S. Fleming. Noting the complaints, an FTC spokesman said the ad-policing agency is "aware of the whole problem," but clinical evidence to support charges is hard to obtain.

TV Revenue Growing: A 12% increase in TV revenues for 1959 as compared to 1958 was predicted last week by TvB pres. Norman E. Cash. Network billings in 1959 will total some \$773 million this year with national & regional spot-spending hitting \$464 million (net time & talent), Cash reported.

TvB's own budget has grown in the past 5 years from \$500,000 to \$1 million this year. Cash announced that in 1960 the Bureau's home office will move to 1 Rockefeller Plaza. He noted TV's growth in the past 5 years from 62% coverage of U.S. homes to more than 86%, with revenue increasing from \$800 million to \$1.5 billion. TV's share of ad revenue has increased from 10% to nearly 14%, making it the leading national advertising medium, said Cash.

* * *

TV will take over local ad revenues as it has the national ad dollar unless newspapers awaken and offer retailers more services & more buying conveniences, *Indianapolis Star & News* promotion & research dir. Howard S. Wilcox (National Newspaper Promotion Assn. pres.) warned at the central region NNPA convention. His suggestions: Simplify rate cards & mechanical requirements; help retailers "obtain best possible ad results."

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In Other Media: Voluntary action by magazine publishers to police their own fanfare over circulation & lineage gains is foreseen by the Nov. 6 *Printers' Ink*—"but don't expect it to happen very soon." The magazine says publishers "know all too well that many advertisers already are battle-sore to charges of faulty comparisons." . . . Trend to a 20¢ newsstand price among major mass-circulation weeklies is noted by the same trade paper: *Look* (20¢), *Life* (which dropped to 19¢ earlier this year), *SatEvePost* (which will extend its present 20¢ test in Utah, Wyo. and Mont. to Wash., Ore. and Ida. by month's end, sells for 15¢ elsewhere) . . . Not only broadcast advertising is under fire these days. Another slam at Barbasol print ads is contained in a letter to *Ad Age* from adman J. B. Taylor, Taylor-Norsworthy pres., who terms them "a disgrace to our industry." Taylor was disturbed by the ad which shows 'Miss Barbasol' standing with a can of shave cream under the caption: "What Other Can Can Compare With My Big Can?" . . . Another newspaper merger: *Ohio State Journal* and p.m. *Columbus Citizen* debuted last week as the a.m. *Columbus Citizen-Journal*.

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Ad People: Jack Izard named General Motors Chevrolet div. national ad mgr., eff. Jan. 1 . . . Carl W. Nichols Jr. and Shelton Weeks named Cunningham & Walsh senior vps . . . G. Maxwell Ule, Kenyon & Eckhardt mktg. senior vp & a dir., appointed to the exec. committee; Stephens Dietz named mktg. services group vp for media, merchandising, research & TV-radio depts.; Paul Bradley named merchandising dept. vp.

Frank Harrel, Young & Rubicam copy dept. mgr., named vp & copy dir. . . Bernard D. Kahn, Grey Advertising associate copy dir., elected vp . . . J. Davis Danforth retires Jan. 1 as BBDO exec. vp, after 35 years with BBDO & its predecessor, Barton, Durstine & Osborn . . . Grant Tinker, ex-Warwick & Legler, appointed Benton & Bowles vp & TV programming dir. . . Edward F. Thomas has resigned as J. Walter Thompson vp & PR supervisor to form Edward Thomas Associates Inc., PR counsel, 103 Park Ave., N.Y.

Networks

NBC's POST-QUIZ MEETING: Networks & affiliates must work together to "challenge the hysteria which has painted quiz-show rigging as typical of the whole character of TV," stated NBC Chmn. Robert W. Sarnoff in a forthright luncheon address Nov. 12 which wrapped up the network's annual meetings of TV-radio affiliates in N.Y. He termed the effects of the quiz hearings as "shock waves" through the industry. He denied that NBC had any advance knowledge of quiz skulduggery. He said that NBC was ready to accept full program responsibility to the public & its stations, and he added that he didn't accept the axing of quiz shows as a solution—since it would be an admission that "we are incapable of being masters in our own house."

NBC's chairman forecast that TV will be under "continued hard scrutiny" in the months ahead, and urged affiliates to be extra-vigilant in the realm of payola, kickbacks, plugs or deceptive ad practices. "It is imperative that all broadcasters safeguard themselves against wrongful practices which would be laid at their doors, even though carried on without their knowledge," he stated. Clarifying what he termed misunderstanding of NBC's establishment of a new internal security service (Vol. 15:45, p6), Sarnoff declared the unit "will not be a private police force, but an executive staff group which will help us separate the grey areas into black & white."

Earlier the same day, NBC-TV affiliate executives heard a summary of network program & sales plans from its top executives, including Pres. Robert E. Kintner, exec. vp Walter Scott, program vp David Levy, and sales vp Don Durgin. Some highlights:

In the nighttime program realm, NBC has ready as possible program replacements such new 30-min. film packages as *The Barbara Stanwyck Show*, *Whispering Smith*, starring Audie Murphy, and *Mustang*, starring Brian Keith. *Klondike*, a co-production series with Ziv TV, as well as *The Barbarians*, *The Blue & The Grey*, and some other pilot properties are being groomed. Daytime plans include some more reruns of nighttime film shows, game programs, and at least 6 daytime big-budget specials. Plans are also continuing for more nighttime specials (live remakes of old Selznick movies, Dore Schary drama specials, adaptations of former Broadway shows, a biblical series of specials by Henry Denker), more *Project 20* specials and series (including one on the Korean War modelled on *Victory at Sea*), location trips for the *Today* show to Japan & Mexico, and a heavy fall lineup of sports including pickups of most of the post-season bowl games.

NBC Radio affiliates attending the 2-day session were also told by NBC Chmn. Sarnoff that the network has no intention of getting out of the radio field, because of "the national necessity to maintain a system of radio networking which serves as the basis for all emergency communications planning." Of NBC Radio's new emphasis on news, information and public service programs (the *Image* series, *Monitor*, newscasts, and a new commentary series called *Emphasis*), Sarnoff stated that "we have finally evolved a form of service that meets the acid test . . . tailored to your specifications & needs." NBC Radio exec. vp Matthew J. Culligan, who declared that "an atmosphere of cooperation" existed between network & affiliates, announced that 123 affiliates have already endorsed the new network plan and that clearances have been lined up with "most of the other stations."

RESEARCH WAR-OF-NERVES: The kingpin position of A. C. Nielsen in network ratings is being boldly challenged by the 3 networks in the disagreement between the webs & the research firm concerning contract terms. Nielsen wants more money; but the networks won't pay the increases the research firm is demanding (4%) for a renewal effective next fall, and they have officially notified Nielsen that they're cancelling then.

This hassle has happened before—in fact, it's practically routine since there's always a year in which to reach compromise—but this time the networks intend to make it stick. The new national-sample "instant rating" planned by American Research Bureau for Oct. 1960 is in view.

All 3 networks had quietly signed up with ARB for it last week, although Nielsen himself was busy showing off his own new instantaneous rating service in N.Y. (Vol. 15:44 p13). The forthcoming ARB service will be basically an expansion of the present Arbitron system to a cross-section of 1,500 U.S. homes at a cost of over \$1 million.

Core of the new ARB service will be a broadening of present instantaneous services to 30 TV markets that have 3-way competition. This will provide "morning-after" competitive reports something like Trendex. Additional homes to reach the 1,500 national sample will be added. These will also be measured electronically, but won't be reported on an overnight basis. ARB's other local services are being expanded to cover 287 TV markets containing 352 TV cities and all commercial stations. Reports will come at the minimum rate of 2 a year & maximum of 12.

Will Nielsen fight back? Very likely, although it's doubtful he'll trim the increases he's seeking. The combination of client & agency pressure on the networks, coupled with further development of Nielsen's own fast-rating method and additional services, may turn the trick.

NETWORK SALES ACTIVITY

ABC-TV

Cartoon-action strip, Mon.-Fri., 5:30-6 p.m., 14 30-min. segs. over 26 wks.
Perkins div. of General Foods (Foote, Cone & Belding)

Leave It to Beaver, Sat., 8:30-9 p.m., 11 1/3 sponsorships starting Jan. 2, 1960.
Vick Chemical Co. (Ogilvy, Benson & Mather)

CBS-TV

Love of Life, Mon.-Fri., 12-12:30 p.m., alt. wk. 15-min. seg.
Toni (North)

For Better or Worse, Mon.-Fri., 2-2:30 p.m., Verdict Is Yours, Mon.-Fri., 3:30-4 p.m. & Love of Life, alt. wk. 15-min. segs.
Dumas Milner Corp. (Gordon Best)

On the Go, Mon.-Fri., 10:30-11 a.m., 2 alt. wk. 15-min. segs.
Helene Curtis (Weiss)

Captain Kangaroo, Sat., 8-9 a.m., additional 15-min. seg.
Tootsie Roll Corp. (Henry Eisen)

NBC-TV

Concentration, Mon.-Fri., 11:30 a.m.-noon, renewals of 5 alt. wk. 15-min. segs.
Lever Bros. (Needham, Louis & Brorby)

Laramie, Tues., 7:30-8:30 p.m., renewal of thirds for the remainder of the season.
Colgate-Palmolive (Ted Bates)

Congress

HARRIS RELOADS HIS GUNS: Capitol Hill's big TV investigative guns, which have been thundering against the lively ghosts of defunct quiz shows, were relatively quiet last week while House staffers piled up ammunition for a fresh onslaught on other suspect practices in the broadcasting industry—such as payola (Vol. 15:45).

TV quiz explosions reverberated in FCC and along other TV-radio fronts (see pp. 1, 2, 7 & 11), but Chmn. Harris (D-Ark.) of the Commerce legislative oversight subcommittee himself was back home in El Dorado, taking a recess from the broadcasting wars until Dec. 9. Other subcommittee members also scattered from Washington.

Before he left, Harris issued instructions to subcommittee counsel Robert W. Lishman to be ready with a new battle plan when the unit mobilizes again next month. Reported payola practices by radio disc jockeys and TV musical directors are already covered by a "considerable file" gathered by his staff, according to Lishman.

Payola almost certainly will be the subcommittee's No. 1 (but so far, undeclared) objective in its extended investigation, which could run far into the 2nd session of the 86th Congress next year—thereby lessening chances that any legislation will come out of it. If the subcommittee does get around to bill-drafting, top priority probably will go to a first-session measure (HR-5042) by ranking minority member Bennett (R-Mich.) for direct control of networks by FCC (Vol. 15:42 p1).

It will take decisions by the often-divided subcommittee in Dec. & later to decide just how far the new probe should go into other areas (payoffs & kickbacks for plugs for products & persons, frauds in commercials, violence in Westerns, programming-by-ratings, on-air editorializing, etc.) which have been targets of Congressional wrath. Lishman said he didn't know where it might end.

* * *

The biggest stir at the subcommittee offices meanwhile was caused not by preparations for new exposes, but by a quickie article on the just-ended hearings—"Committee Investigator Reveals How Fixers Secluded Innocents"—in the Nov. 16 *Life*.

Featured in a 9-page picture-&-text section on the sensational quiz story, the article was bylined by lawyer Richard N. Goodwin, special subcommittee consultant who did much of the official legwork for the hearings. Questioned by reporters about the propriety of a paid subcommittee staffer writing for a magazine about subcommittee business—and getting paid for it—Goodwin said he saw nothing wrong in his outside work. At his home, Harris said he had warned Goodwin not to discuss the subcommittee's work in the article. Lishman read it before publication, according to Goodwin. Noting that reporters have been having "a lot of trouble this fall getting any information out of the investigating staff," the Scripps-Howard *Washington Daily News* took a dim editorial view of Goodwin's "public information for sale." It said the probe was supposed to "provide information to the public, not information to be hoarded up for private sale."

Cover-story treatment of the Harris hearings was given by *Life's* sister *Time* in its Nov. 16 issue. NBC pres. Robert E. Kintner was on the cover. Inside, the quiz & Kintner story ran through 7 pages.

In other quiz developments:

Sen Javits (R-N.Y.) said TV needs a "czar" to clean

itself up. "An outstanding public figure" such as baseball's late Judge Kenesaw Mountain Landis could do it, he said.

Sen. Randolph (D-W. Va.) said TV's trouble is "a tendency . . . to pander to the lowest common denominator of public taste & intelligence [and] help create that level."

Rep Stratton (D-N.Y.) wrote Harris that he thinks the oversighters should look at Westerns, crime and private-eye shows to see whether they aren't "closely connected with our growing wave of juvenile crime."

Rep. Mack (D-Ill.), an oversighter, was hanged in effigy on the Evanston, Ill. campus of Northwestern U. by students of Dr. Bergen Evans. At the quiz hearings Mack had suggested that the school fire Evans because he "supervised" questions on CBS-TV's fixed \$64,000 duo.

FTC member Sigurd Anderson, supporting Chmn. Earl W. Kintner's plea to the industry to police itself (Vol. 15:42 p2), also warned: "I'm positive that more restrictive legislation will result from the investigation."

Senate Commerce Committee member Smathers (D-Fla.) said the TV-radio industry can discipline itself, that he'll oppose any new laws regulating shows. Govt. control of programming, he said "smacks of censorship and endangers one of the major principles of our democracy."

* * *

Labor Secy. James P. Mitchell said that he, too, is against any additional govt. regulation of TV. What's needed, he said, is more "self-regulation;" if the public doesn't like it, "every person is at liberty to turn his TV set off—shoot a hole in it with a shotgun if he wants."

Ex-Sen. William Benton (D-Conn.), who recently gave \$25,000 to the Fund for the Republic's Center for the Study of Democratic Institutions for another TV-press survey (Vol. 15:44 p6), wrote the *N.Y. Times* that a Presidential commission should keep a continuing watch on TV & radio.

Harvard's Dr. William Elliott, author of *Impact of Television on American Culture*, said on the other hand that the best way to clean up TV is for consumers to organize a national non-govt. watchdog council to advise Congress and the industry on proper standards.

USIA director George V. Allen said quiz riggings have hurt U. S. prestige abroad, where scandals have been attributed to "a low state of public morals" here.

Roscoe Drummond, syndicated Washington columnist of the *N.Y. Herald Tribune*, came up with a solution of his own. He called on all TV viewers to "all at once observe an hour of TV silence" in protest against the quiz scandals. Time set by Drummond for his proposed mass boycott across the country: 10-11 p.m. local time Nov. 17.

Sen. Langer (R-N.D.), just before his death Nov. 8, released an exchange of correspondence with NAB Pres. Harold E. Fellows. Langer had said Congress may give FCC more power over programming if TV itself "cannot do a better job of policing." Fellows assured Langer that new TV code prohibitions against "any abuse of public trust & confidence" will be offered at Review Board sessions Nov. 16 in Los Angeles (Vol. 15:42 p6).

Fellows pursued the quiz subject further last week at the NAB's regional conference in Fort Worth. "No matter how you may feel about any aspect of this deplorable circumstance," he told the broadcasters, "I submit that the entire industry is responsible, by the very terms of the license under which it operates." Fellows said the "salvation" of all broadcasters in the wake of the quiz scandals lies in the TV code and adherence to it. "Not enough of the radio stations subscribe to the radio standards of good practice—and not enough of the TV stations subscribe to the TV code," he added.

Programming

More about

TV TEACHES ALMOST EVERYTHING: Those who bemoan TV's lack of worthwhile programming, abuse the medium without benefit of our survey (see p. 3) of the nature & volume of educational shows now being dispensed by commercial TV stations in U.S. & Canada. The "lack," our study indicates, may well be merely adequate publicity at the station level. Lost apparently amid the program listings of Westerns, spectacles and other tranquilizers are numerous TV excursions into such stimulating & oftentimes controversial areas as archeology, sociology, religion, art appreciation, history, politics, local disputes & problems.

On the national picture, ETV offers something for everyone—in-school & out, for fun and/or for credit, for ages ranging from pre-school to infinity. Basic ETV programming reads like a school roster. On any given day, viewers somewhere can tune in on formal courses or academic programs ranging from language instruction, home-making crafts and shorthand to physics, history, science.

Some samples of commercial TV's ETV contributions to intellectual curiosity: KXJB-TV Fargo's *What Do You Think?* public affairs program; *Reading, Riting & Rosa* weekly evening book-review show by KTAG Lake Charles, La.; the arts & artifacts *Man, The Maker* program of WMAR-TV Baltimore; *Academy of Science*, originated Sun. a.m. by the Mobile (Ala.) Academy of Science via WKRQ-TV Mobile; the Sun. *Capitol Report* by Neb. Senators & Representatives via KOLN-TV Lincoln; *Your Right To Say It* debate program produced by WGN-TV Chicago in cooperation with Northwestern U.; *Le Savoir-Vivre* etiquette show aired Fri. p.m. by CFQM-TV Quebec; WDEF-TV Chattanooga's college-credit *Children's Literature*; WHDH Boston's *Science-Quest & Conquest*; KOIN-TV Portland's college-credit psychology telecourse; WJZ-TV Baltimore's *Comparative Literature*; *Concepts of Mathematics*, aired for in-school & home viewing by WABI-TV Bangor; WJAR-TV Providence's *The World Around Us* political science program; WFIL-TV Philadelphia's *University of the Air*, which offers 2 subjects daily, taught by professors from virtually all colleges & universities in the area; and a host of other local & network courses & subjects ranging from *Atomic Age Physics* and *Modern Chemistry* to *American History* and Russian, French, Spanish etc., language instruction. Most widely used of network programs is NBC-TV's *Continental Classroom*, which this year offers a 2-semester course in college-level chemistry for academic credit from 309 U.S. colleges & universities. Sixty-two of the stations which replied to our survey carry *Continental Classroom*.

Other facts noted by our survey:

The 171 of our 182 respondents who program ETV material originate more than 250 shows, carry a relative smattering of network ETV.

ETV is not the exclusive domain of big stations nor small. Among the stations carrying heavier ETV loads we noted: WOI-TV Ames, Iowa; WHDH Boston; WTIC-TV Hartford; WTRF-TV Wheeling, W.Va.; WLYH-TV Lebanon, Pa.; WVET-TV Rochester, N.Y.; KCOP Los Angeles; WISH-TV Indianapolis; KELO-TV, Sioux Falls, S.D.; WSJS-TV Winston-Salem; WRGB Schenectady; WCNY-TV Watertown, N.Y.; WTOK-TV Meridan, Miss.; WREX-TV Rockford, Ill.; WEWS Cleveland; KROC-TV Rochester, Minn.; WCAU-TV Philadelphia.

Science TV programs involving "abstract concepts" are difficult to produce, NBC public affairs dir. Edward Stanley and CBS creative projects exec. Irving Gitlin told a group of educators & scientists recently. Speaking at a Washington conference on "The Mass Media & the Image of Science," sponsored by the Thomas Alva Edison foundation, the network executives challenged statements that TV is lagging in the production of science programs, stating that several good science shows are now being aired. Earl Ubell, *N.Y. Herald Tribune* science editor, cited a recent survey showing that Americans retain little that they read about science & medicine. Dr. Dael Wolfe, exec. officer of the American Assn. for the Advancement of Science, said he doubted that much could be done until the public itself was sufficiently educated in science. He said TV "has a superb opportunity to assist," but urged "straight," not sensational, treatment of science on TV. Dr. John R. Platt, U. of Chicago physics prof., told the group that TV science programs, if handled properly, can offer "the thrill of a detective story & the pleasure of watching a play by Bernard Shaw." National Science Foundation dir. Dr. Alan T. Waterman accused TV, radio & the press of "underestimating the desire of our citizens to learn & to know." He said that TV & radio programs appealing to the mind "can be as imaginative as those that appeal to the emotions." Speaking on the image of American science abroad, U.S. Information Agency dir. George V. Allen said foreigners are more interested in American science & technology than in almost any other aspect of American life.

A carefully-worded introduction, aimed at "some parents who will consider this other than general family entertainment," prefaced *CBS Reports'* "Population Explosion," (Nov. 11). Said commentator Howard K. Smith: "The program is purposefully broadcast at 10 p.m. EST with the knowledge that it contains certain brief phases pertaining to procreation." Discussing birth control in over-populated areas of the world were India's Prime Minister Nehru, Lady Rama Rau, pres. of the Family Planning Assn. of India, Monsignor Irving De Blanc, dir. of the Family Life Bureau of the National Catholic Welfare Conference, Washington, His Grace Archbishop Joseph Fernandez, Roman Catholic bishop of New Delhi, India.

President Eisenhower's trip next month to 10 countries in Europe, Asia & Africa will be given heavy TV coverage by NBC News, which plans a total of 11 TV programs including 8 specials in prime time, news v.p. William R. McAndrew stated last week. A total of 9 shows will be presented as Vol. 11 of the *Journey to Understanding* series which earlier reported on the Eisenhower-Khrushchev trips. Due to be utilized in the coverage (and the subject of a 40-page memo to NBC news staff last week) will be film, tape, microwave relays, Eurovision TV network, trans-Atlantic wire film system, chartered planes & regular jet flights. It's the "most extensive TV coverage ever given a Presidential trip," McAndrew stated. For ABC, John Daly and 6 TV-radio news correspondents will leave Dec. 4 to cover the President's tour. Three special programs (Dec. 12, 20, 27) will be produced, with others added if news developments warrant, ABC-TV said.

Rock & roll music came in last in a popularity poll conducted by radio KING Seattle to determine audience listening-preferences. The r&r beat racked up the largest thumbs-down vote (54%) among 5 music categories checked by 9,250 respondents. Most popular music—with a 75% approval score: tunes on million-seller records.

RATING SURPRISES GALORE: The first national Nielsen ratings of the fall season, covering the 2nd half of Oct.—which reached the desks of TV executives last week—contained a number of surprises. The balance of nighttime audience power between the networks had shifted noticeably; some program theories were shaken; rumors of certain shows “in trouble” graduated out of the rumor stage; and Hollywood producers were left, in some cases, with the task of performing quick rescues or picking up the pieces. Among highlights of the Nielsen report:

New vs. old shows: The oldtimers won with ease. Of 52 new nighttime shows launched on the 3 networks this season, the average-audience rating was a not-so-hot 16.0, delivering some 6.5 million TV homes in the average minute. The 70 shows which returned for another season averaged 20.8, worth 8.8 million TV homes. In general, it was proving a poor season for new shows.

Network winners: Again the oldtimers swept the field as the trend forecast by ABC-TV's recent strong nighttime rating performance in the 24 Nielsen-measured competitive markets didn't pay off in the national returns. CBS-TV retained, and strengthened, its top position as the network that generally has the biggest audience. In the full nighttime program periods (7:30-11 p.m., Mon.-Sat.; 7-11 p.m. Sun.), the CBS-TV average audience was a 22.0. NBC-TV was runner-up with an 18.8. ABC-TV scored a 16.8, slightly below the ABC score at the same time last season.

ABC-TV status: Late last week, ABC-TV pointed out some qualifying factors to the Nielsen report which, the network felt, short-changed it. According to research vp Julius Barnathan, the rated period (2 weeks ending Oct. 18) was “the most atypical” of the new season and was actually “a transition period” during which most of ABC's new shows were making their debut. The World Series games, ABC-TV also stated, gave NBC-TV a strong program lead-in during the rated period on a Tues. night “which we usually dominate.” Referring to ABC's rating hop between the 2nd Nielsen report for Oct. 1958 and the first Nov. report (up from an average rating of 17.3 in the former to 19.5 in the latter), and recent strong ABC performance in Nielsen's 24-market studies, Barnathan stated “there is no question that the trend is in our direction.”

One-hour film shows: A total of 31 live or film program series in the 60-min. bracket drew an average-audience rating of 19.4 in the new Nielsen report, out-rating 30-min. shows (which averaged 18.4 for 87 shows) and rivaling 4 series in the 90-min. bracket which averaged 19.9. Obscured in the relatively good 60-min. average was a real jolt for program planners. For the most part, new 60-min. film shows—in which ABC-TV is a primary investor this season—were drawing disappointing ratings, getting an average-audience level of 16.7. Hard-hit by the Nielsen figures was the latest crop of 60-min. film shows in the Warner Bros.-ABC entente (*Alaskans*, *Bourbon St. Beat*, *Hawaiian Eye*) which scored a 3-program average audience of only 15.3. ABC was quick to defend its 60-min. entries, however, with network researchers pointing out that ratings for the second show in the *Adventures in Paradise* series—a 20th-Fox show roundly panned by critics—“were 20% higher than for the first week.” A further gain has already been made in the 24-market Nielsen reports which has not yet been reflected in the national measurements, ABC added. In competitive markets, the ABC 60-min. shows are still rolling up strong scores, with the Nov.

11 telecast in the *Hawaiian Eye* series scoring a 33.0 share-of-audience level against a 33.3 for *The Perry Como Show* on NBC-TV, which has generally ruled the roost for the time period.

Program-type standings: A comparison of the rating levels of basic program types in the new Nielsen report with those of the comparable Oct. 1958 report also gave program planners much to think about. The overall rating trend was off. The average audience for all 30-min. shows slipped from a 1958 level of 19.7 to the 1959 figure of 18.5. Hour shows also dropped slightly, from a 20.8 average audience figure to 20.1. Quiz & audience participation shows were off (from 18.9 to 17.1); 30-min. adventure shows dropped badly (from 18.4 to 12.3); 30-min. Westerns stumbled from 25.2 to 22.1, although 60-min. Westerns held up well (23.9 vs. 23.8 this year). Situation comedy was down (from 21.7 to 20.1) and so were 30-min. suspense dramas (from 20.2 to 17.2). Gains were few, principally among general drama and variety shows, and among the catch-all category of “other” programs into which Nielsen drops news specials and public affairs programs, as well as shows that defy standard categorization.

The top 10: Westerns, despite a slight decline in the ratings of shorter-length outdoor sagas caused mainly by the influx of newcomers, were still the national champions. In the top 10 Nielsen average-audience ranks, Westerns took win, place & show honors (*Wagon Train* with 37.4, *Gunsmoke* with 35.7, *Have Gun, Will Travel* with 33.1). One other—*Wanted—Dead or Alive* with 29.8—landed in 6th place. Comedians Danny Thomas, Bob Hope and Red Skelton also made the top ranks, as did the World Series and *Perry Mason*.

Daytime standings: CBS-TV is still acknowledged by the other 2 networks as the daytime rating leader. (Nielsen figures aren't always available, since some daytime network shows are sustaining.) ABC-TV, which ordered a complete set of Nielsen national figures for the noon-4 p.m. period, found its daytime lineup scored a 19.2% share of audience—up 3% from the 18.7 share earned by ABC-TV during the July-Sept. 1959 period. The figures represent a “typical” level, with ratings for special daytime pre-emptions (Khrushchev coverage, National League playoff, World Series) during the second Nielsen rating period for Oct. eliminated.

Eastman Kodak, a charter member of the Motion Picture Producers Assn., will contribute \$100,000 to help underwrite the cost of the 1960 Academy Awards telecast of the Academy of Motion Picture Arts & Sciences. This more than offsets the withdrawal by Universal-International from industry sponsorship of the event (seen on NBC). Academy Pres. B. B. Kahane explained that although ordinarily Eastman does not join in sponsorship of the event, when UI pulled out, the film manufacturer came up with its offer. Eastman emphasized to the Assn. and Academy that it does not want nor expect any mention of the company and that the show is to remain a non-commercial venture with no plugs.

Reality out-rated fiction recently in Miami, when WTVJ aired a locally-produced public affairs series, *Honky Tonk*, dealing with the seamier side of Miami's after-dark life and police attempts to clean it up, in prime time against *M Squad* and a Khrushchev telecast on the city's 2 competing TV outlets. *Honky Tonk* drew a 21.3 in an overnight ARB rating to a 21.1 for the fictional Chicago cop and a 7.0 for the Soviet Premier.

MORE QUIZ REPERCUSSIONS: Outside the Washington quiz arena last week, the hearings continued to stir up headlines, public comment, and other probes as everyone from major advertisers (see separate story on ANA, p. 6) to onetime quiz contestants either got into the limelight—or tried to get out of it.

DA Frank S. Hogan began studying rigged quiz shows early last week in N.Y. with "a view to a Grand Jury presentation." Hogan, who had stated earlier that of 150 persons who testified before the Grand Jury "maybe 50" told the truth, publicly invited those suspected of lying to change their testimonies. Nearly 30 expressed interest in doing so. Hogan is also conferring on fraudulent commercials and alleged kickbacks by contestants for getting on a program. Questioned Nov. 11 on the latter was Jan Murray, host of NBC-TV's *Treasure Hunt*, on which program the network claimed it had uncovered kickbacks.

In St. Louis, where he was addressing a convention of the American Assn. of Land-Grant Colleges & State Universities, CBS Inc. Pres. Dr. Frank Stanton reiterated his belief that the quiz scandals called for action. Stanton proposed "a searching re-examination of our basic operational theories & practices across the board . . . to find out more about our inadequacies, our weaknesses, our soft spots." TV, he added, "cannot afford the luxury" of a slow evolution and the usual growing pains of new media.

Not the least of the post-quiz problems confronting networks, production companies and sponsors, is that of individual lawsuits involving millions. Some have already been filed: \$540,000 sought from Barry & Enright, NBC and Procter & Gamble by Richard K. Clark, \$22,500 winner on *Tic Tac Dough* who claims that his reputation had been seriously damaged by the rigging, and that he was deprived of winning a potential \$40,000 because his opponent had allegedly been given assistance; \$1.2 million sought by 21-loser Ethel Davidson, former asst. U.S. attorney, from NBC, Barry & Enright, Pharmaceuticals Inc., and Herbert Stempel, to whom she lost on the air. Miss Davidson charged she was deprived of winning large sums of money, and that she was subject to "humiliation & disgrace" as well as "public scorn & ridicule."

* * *

Lorna Hahn, Temple U. history instructor, who lost to Teddy Nadler on *\$64,000 Challenge*, plans to file in U.S. District Court a suit against the show's producers & sponsors as well as CBS for \$563,000 in damages, claiming disclosures of rigging have "cast a shadow on her integrity & reputation and have hurt her professional standing." Nadler has emphatically denied receiving help in advance.

Ex-21 producer Albert Freedman, the only person involved in quiz rigging who has actually been indicted for perjury, made a statement in Mexico City to the *N.Y. Times* in which he defended the network quizzes as being "a breath of fresh air compared with the murder & violence that saturates TV." In rebuttal, Herbert Stempel, whose initial testimony in 1958 ignited the quiz investigations, said 21 had no merit as an entertainment or educational outlet because it was not a "real battle of wits" and was merely a parrot system of throwing out a lot of irrelevant facts."

Rep. Steven B. Derounian (R-N.Y.), the only member of the House special subcommittee on legislative oversight who declined to congratulate Charles Van Doren on his Nov. 2 testimony ("I don't think an adult of your intelligence ought to be commended for telling the truth"), was scheduled to discuss "TV—a Public Domain" on

WCBS-TV's *N.Y. Forum* Nov. 15. Slated to query Derounian were 3 N.Y. lawyers, with N.Y.U. law professor Richard D. Heffner as moderator.

As legal storm clouds gathered, outsiders made post-quiz-probe headlines last week as they sounded off on various quiz topics. Two N.Y. rabbis condemned the viewing public as the "real culprits" in TV quiz rigging—for, said Rev. Dr. William F. Rosenblum "its apparent apathy, for permitting vice & violence to be brought into their homes & children's minds." Rev. Dr. Louis I. Newman condemned the shallow techniques of public relations & advertising, and the Rev. Dr. Hampton Adams of the Park Ave. Christian Church suggested quiz winners give an amount equal to their winnings to charity if they wanted "forgiveness." Across the Hudson, Freehold, N.J. high school teacher Melvin C. Willett decided to apply some shock treatment to a current-affairs class which was apathetic to the quiz scandals. He staged a surprise classroom test, later admitted to class members that he had "fixed" the quiz by feeding answers to 3 students who each scored 100%. The students abandoned their apathy.

TV & radio newsmen walked out on N.Y. Gov. Nelson A. Rockefeller in Los Angeles last week after the undeclared candidate for the Republican Presidential nomination insisted on separate press conferences for newspapermen & broadcasters—with newspapermen getting first crack at him. "This is the policy I followed since I've been in public office and I'm going to stick to it," Rockefeller said. But network & local-station newsmen banded together to protest such "segregated" treatment, refusing to attend a 9:30 a.m. conference scheduled one hour after newspapermen questioned Rockefeller. Radio-TV News Directors Assn. Pres. William Small (WHAS-TV Louisville) followed up the protest. "It is the policy of our association to refuse to tolerate the 'separate but equal facilities' idea," he wired Rockefeller.

"Congress says that hereafter networks must have complete control of their programs, and perhaps they are right. But only a year ago these same Congressmen were saying that the networks should be stripped of their program control because it promoted a monopoly. And perhaps they were right. Now they say networks should be subject to common carrier regulations, perhaps they are right again. But they themselves, the Federal Communications Commission, and the public, know that Federal regulation of program sources is merely a disguised form of censorship that cannot be expected to remain disguised. And in this they are also right. The whole thing grows, as Alice in Wonderland said, curiouser and curiouser."—Excerpt from on-air editorial by Lawrence H. Rogers, pres., WSAZ Inc.

NBC News has set up a special production unit to expand news & public affairs programming and to gear such shows for commercial sponsorship. Julian Goodman, dir. of news & public affairs, will head the unit. Production teams, headed by Reuven Frank, Chet Hagan, George Heinemann & Louis Hazam, have been formed to create, plan and produce special programs. Rodney Clurman has been assigned to the unit as special-projects coordinator. In recent weeks, CBS-TV has stepped up the level of news-program planning for airing in prime time slots (Vol. 15:44, p6).

Cold-weather TV baseball is hot, reports KDKA-TV Pittsburgh. Its debut telecast of *Cuban Baseball* (Sat., 4:30-6 p.m.) snared a 13.9 special ARB rating and a 42.0 share-of-audience, in competition with a football telecast, *Bold Venture, Saber of London*, and *American Bandstand*.

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JAMES B. DELEHANTY, *Asst. Business Mgr.* HAROLD B. CLEMENKO, *Managing Editor*
DAVID LACHENBRUCH, *Associate Editor*
HAROLD RUSTEN PAUL STONE

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Hollywood 28, Cal.
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Personals: Charles S. Steinberg named CBS-TV public information vp, succeeded as information services vp by John Cowden, previously ad & sales promotion vp; Thomas Means, ad & sales promotion dir., will assume Cowden's former duties . . . William Stewart, ex-Communications Counselors, McCann-Erickson PR subsidiary, named to new post of PR dir., Metropolitan Bestg. Corp.

Sam F. Hill Jr. named mgr., CBS-TV Spot Sales Los Angeles office . . . William T. Klumb promoted from sales staff to national sales mgr., WTMJ-TV Milwaukee . . . William A. Duffield promoted from asst. operations engineer to planning dir., CBC.

Ash Dawes, formerly WTJV Miami, promoted from program-production mgr. of WLOS-TV Asheville, to operations mgr. of the station's new Greenville, S.C. studios. He will be succeeded in Asheville by Mort Cohn, WCHS-TV Charleston, W. Va., program mgr.; Russ Severin resigns as NAB field representative to become WLOS-TV Greenville station sales mgr.; Vernon Hester named Greenville technician-in-charge; Ellis Fox succeeds him as head of Asheville studio maintenance.

Lewis H. Avery, Avery-Knodel pres., elected a TvB dir., succeeding Joseph Weed, Weed & Co. . . . Robert B. McFadyen, dir of NBC-TV sales div. is speaking Nov. 16 to the Kansas City Advertising & Selling Club on "Marketing Methods for the 1960s."

Guy Corley appointed gen. mgr. also continuing as sales mgr., KLFY-TV Lafayette, La., succeeding Jerry Hamm, resigned . . . George A. Foulkes promoted from national sales mgr. to gen. sales mgr., WTHI-TV & WTHI Terre Haute, Ind. . . . Bob Edrington resigns as promotion mgr., WTVT Tampa-St. Petersburg, to join a contracting firm; Ned Jay, ex-WTVT sales development mgr., named promotion mgr., WAGA-TV Atlanta.

RCA Chmn. David Sarnoff was slated to make the principal address Sunday (15) at ceremonies dedicating the Emanuel Sacks Hematology Dept. in Philadelphia's Einstein Medical Center, in memory of the RCA-NBC exec.

A chapter on TV advertising by George Olden, CBS-TV graphic arts dir., is included in *Advertising Directions: Trends in Visual Advertising*, to be published Nov. 30 by Art Directions Book Co. (282 pp, 800 illus., \$10).

"A Pictorial History of Television," by Daniel Blum was published last week by the Chilton Co., Philadelphia (228 pp., \$10).

Meetings next week: RTES timebuying-selling seminar (Nov. 24); Henry Brenner, TV-Q pres., & Albert E. Sindlinger will speak on "What's New in Nose Counting?" Lexington Hotel, N.Y. . . . RTES luncheon (25) & symposium on ETV: Robert Saudek, Saudek Associates; John P. Cunningham, Cunningham & Walsh bd. chmn.; John F. White, NETRC pres., Roosevelt Hotel, N.Y. . . . National Assn. of TV & Radio Farm Dirs. annual fall convention (27-29), Conrad Hilton, Chicago . . . Pa. State U. first annual communications forum for bestrs. (29-Dec. 1), Robert D. Swezey, exec. v.p. & gen. mgr. of WDSU-TV New Orleans; Sig Mickelson, CBS News pres.; Edward Stanley, NBC public affairs dir.; Ralph Renick, news v.p. of WTVJ Miami & Radio-TV News Dirs. Assn. pres.; Dr. Charles Seipmann, N.Y.U. communications education professor, will discuss "Broadcasting: The Challenge of Responsibility," State College, Pa.

"Hard-sell gimmicks" in advertising won't work on "more sophisticated, better educated, more discriminating" audiences in the 1960s, NAB Pres. Harold E. Fellows said last week. "Advertising will need to be increasingly more respectful of the consumer's intelligence & awareness," he told the Assn. of Bestg. Executives of Texas in Dallas. "If advertising is to succeed in its intent as an essential ingredient of our way of doing business, it must be geared to the idea that the consumer wants to be convinced, not 'conned.'" RAB Pres. Kevin B. Sweeney said radio will wind up 1959 with a 7% ad-dollar gain that could have ranged to 15% with a little guided effort. He criticized radio's intramedium competition for ad dollars, its indifference to threats to its rights and its failure to capitalize on its "inherent excitement."

FTC's 14-year fight to force Carter's Products Inc. to take the "liver" out of Carter's Little Liver Pills has been won in the Supreme Court, which refused to hear a final appeal by the company against charges that its advertising misrepresented the product. The FTC's case against the pills started in 1943 and had been carried up & down through the courts since. In 1953, the Supreme Court ordered FTC to hear additional evidence on the therapeutic value of the patent medicine, widely advertised in all media. Carter's again appealed when FTC ruled, after a rehearing, that its original complaint had been valid.

Obituary

George V. Denny Jr., 60, founder and moderator from 1935 to 1952 of radio's *America's Town Meeting of the Air*, died Nov. 11 in West Cornwall, Conn. of a cerebral hemorrhage. Surviving are his wife, 3 children by a former marriage, and his mother. At the time of his death, Mr. Denny was pres. of International Seminars, which took 32 leaders to South America to begin a series of international town meetings.

John M. Littlepage, 56, Washington attorney, who, like his late father Thomas P., was a pioneer radio lawyer, jumped to his death Nov. 11 from the 8th floor of the Investment Bldg. from a window near his office. The coroner issued a certificate of death by suicide. Surviving are his widow, son, daughter and brother James H., with whom he practiced law.

Josef Bonime, 69, composer, radio music arranger & conductor, who recently retired after 28 years with the McCann-Erickson radio dept., died Nov. 8 of a heart attack in Westport, Conn. He is survived by his wife, son, daughter, brother, sister and a grandchild.

Stations

2 U.S. STARTERS, 2 CANADIAN: Two new uhf stations have gone on the air in the U.S., one off-air uhf resumed operation and another was poised to start up again at week's end, which will bring the station count to 560 (86 uhf). This tally also reflects the Nov. 13 shift of WVEC-TV Hampton-Norfolk, Va. from uhf to vhf (Vol. 15:45 p12). In Canada, a new station and a satellite began operation.

The new U.S. starters are KLYD-TV (Ch. 17) Bakersfield, Cal., KNDO-TV (Ch. 23) Yakima, Wash., with WFAM-TV (Ch. 18) Lafayette, Ind., scheduled to resume operation under new ownership Nov. 15. WICC-TV (Ch. 43) Bridgeport, Conn. resumed Nov. 7, having been off air since Aug. 12 (Vol. 15:32 p7). In Canada, new outlets are CJSS-TV (Ch. 8) Cornwall, Ont., and CJCB-TV-1 (Ch. 6) Inverness, Nova Scotia.

KLYD-TV went on the air with ABC-TV programming Nov. 8 despite an accident which destroyed its RCA antenna. It's operating temporarily at 12-kw ERP with a jerry-built dipole antenna. It has a 12½-kw GE antenna on 363-ft. Stainless tower. Gen. mgr. is 20% owner Ed Urner; John Barrett, ex-KFRE-TV Fresno, is gen. sales mgr.; Bill Hoffman, local sales mgr.; Ralph E. McElroy, ex-KFRE-TV, program dir.; Vern Tucker, acting chief engineer. Base hour rate is \$300. Hollingbery is rep.

KNDO-TV has been on the air since Oct. 15 as an ABC-TV affiliate. The Yakima outlet has a 1-kw RCA transmitter, 21-gain RCA antenna on 100-ft. Stainless tower. Station mgr. is Hugh Davis; sales mgr., Gene Adams; program dir., Leo Lyon; chief engineer, Warren Brown. Base hour is \$300. Rep is Weed.

WFAM-TV, now converted to Ch. 18, was due on air Nov. 15 for new owner Sarkes Tarzian Inc., Bloomington, Ind., electronics manufacturer and owner of WTTV Indianapolis-Bloomington. The station, an interconnected CBS-TV affiliate on the extended market plan, has an RCA antenna and 650-ft. tower. A. G. Holben is mgr.; Arthur Hook, program dir.; Fred Molchin, chief engineer. Adam Young is rep.

Canada's CJSS-TV has been on the air since Oct. 18 with RCA 11-kw transmitter. It has a 600-ft. tower built by Cobra Industries, Quebec, with RCA wavestack antenna, radiating 260 kw. It has ordered an Ampex Videotape recorder. It plans to open sales office in Massena, N.Y., across St. Lawrence River from Cornwall. Ernest W. Miller is pres.-gen. mgr.; Andrew McLellan, operations dir.; William Ellison, program mgr.; Alma Larocque, traffic supervisor; James Mitchell, chief engineer. Base hour is \$225. Repts are Weed and Trans Ocean Radio & TV Repts.

CJBC-TV-1, which began last week, is a satellite of CJCB-TV (Ch. 4) Sydney, N.S., operated by remote control. It has a GE 1½-kw transmitter, Alford Antenna. J. Marvin Nathanson is gen. mgr. of the parent station, whose base rate is \$275 an hour. Repts are Weed and All-Canada.

Coast Guard objections to the location of a TV transmitter anywhere within 3 miles of its Martha's Vineyard loran station prompted the FCC last week to propose rule-making looking toward deletion of Ch. 6 from New Bedford, Mass. According to the FCC, Martha's Vineyard is the only area within which a Ch. 6 transmitter would comply with mileage separation requirements and still provide a principal city signal to New Bedford. There are 4 applicants for the channel.

Payola in L.A.: If the FCC is serious about its proposed investigation of payola among the disc jockeys, a Los Angeles TV-radio news commentator will offer names of those involved in such practices in the L.A. area. Lou Irwin, newsman for KABC-TV and KPOL, told us last week that he has already discussed with Comr. Robert E. Lee the payola picture in L.A. "I've offered to give him names of recording company executives who are disgusted with having to pay everytime they want a record on the air. Several are willing to testify at an investigation of the payola racket," said Irwin. "I'll give Lee the names only if there is to be a deep investigation. Those companies paying the d.j.'s are violating FCC regulations by not reporting it as commercial time.

"I'm sure at least 3 d.j.'s in Los Angeles are on the payola," Irwin continued. "Record company executives tell me they pay off in money, loot or both. I have been told there is not one d.j. who won't take loot, if not money. And loot can be something like a \$1,000 Christmas present."

On the subject of free plugs, Irwin said he had interviewed "give-away king" Adolphe Wenland, whose job it is to get free plugs for his products. Wenland told how he does "favors" for writers on network shows to get the free plugs. He freely admitted bribing writers, and specifically bragged about a recent Jack Benny show, on which he had one of his accounts (Lifesavers) plugged.

Irwin was scheduled to fly to Washington over the weekend to tape an interview with FCC Comr. Lee.

Democratic ad agency for the 1960 Presidential campaign will be San Francisco-based Guild, Bascom & Bonfigli, which expects to handle about \$3 million in billings—principally TV—for the account. Miss Reggie Schuebel, Guild, Bascom vp who worked for the Democrats in 1956 when she was with Norman, Craig & Kummel, will supervise next year's broadcasting campaign. Selection of Guild, Bascom was announced by Democratic National Chmn. Paul Butler following a less-than-lively competition. Some agencies were reported to have shied away from the account because major clients are Republican-oriented. J. Leonard Reinsch, managing dir. of the Cox Stations (WHIO-TV & WHIO Dayton, WSB-TV & WSB Atlanta, WSOC-TV & WSOC Charlotte) and TV-radio adviser to the Democratic National Committee, aided Butler in the choice. The Republicans haven't yet named their agency, but BBDO has had the GOP account in recent years.

Free TV-radio time for political parties during the month prior to the 1960 Presidential election was proposed last week by N.Y. State Democratic Chmn. Michael H. Prendergast. Explaining that TV-radio time expenses made up about 45% of both parties' campaign costs, he suggested that network-party conferences be held immediately to arrange a free air time arrangement. Such an agreement, he said, would "eliminate a huge financial burden which . . . could conceivably lead to a political monopoly of the wealthy candidate or monied contributor."

TV-radio newsmen would enjoy same immunity as newspaper reporters from disclosing sources of information, under a bill passed by the Pa. state Senate & House. The House version passed last week requires TV-radio stations with employes claiming immunity to keep "an exact recording, transcription, kinescopic film or certified written transcript" of every broadcast for a year. The Senate had proposed that records be kept for 2 years. It's expected to concur with the House amendment.

A Briton Looks at U.S. TV: One of England's top TV authorities took a searching look at U.S. video last week, handed it both a pat & a rap on the head, called for a program-exchange agreement and completely captivated the RTES newsmaker luncheon in N.Y. Nov. 11. A TV "trans-Atlantic thruway," for the production & exchange of TV films between the U.S., Great Britain & Canada was predicted by Norman Collins, deputy chmn. of Associated TV Ltd. of England in his address. "Government regulations of quotas for foreign products, trade union objections to foreign crewing, complicated analyses to determine the proportion of foreign talent are tragic indications of old fashioned & obsolete thinking," said Collins. With independent TV starting in Canada and ATV's programming in England, the thruway should be realized, he said.

Noting that it would be "palpably dishonest of me if I were to plead ignorance of the current crisis within American TV," he warned against any sentiment for a govt.-operated TV network, as suggested recently by the *Christian Science Monitor*. "To my mind," Collins said, "that would be as damaging to the world image of a free America as to propose the introduction of a government newspaper simply because some of the commercial newspapers weren't as good as someone in TV thought they ought to be."

FCC "brush-off" of labor has been protested by AFL-CIO associate gen. counsel Thomas E. Harris in a complaint that the Commission did nothing to discipline WNEW-TV N.Y. & WTTG Washington for alleged public-service programming "perversion." Harris said FCC's failure to move against the Metropolitan Bestg. Co. stations for an allegedly one-sided panel discussion of "labor corruption" Aug. 25 (Vol. 15:37 p7) illustrated its "see-no-evil, hear-no-evil, speak-no-evil approach to the broadcasting industry." In reply to the AFL-CIO's original protest against the show, which featured Sens. McClellan (D-Ark.) & Ervin (D-N.C.), Metropolitan told FCC that the AFL-CIO never asked WNEW-TV or WTTG "for an opportunity to present the other side of the case—if there is another side to labor corruption."

Anti-quiz-rigging laws "might be detrimental to the operation of our present free system of broadcasting," NAB govt. relations mgr. Vincent T. Wasilewski warned recently. In a speech to the 2nd annual Freedom of Information Conference at the U. of Mo. journalism school, Columbia, he said the "seriousness of the quiz show matter is self-evident and has been candidly acknowledged by industry leaders." But he added "it would be unfair to the American people" if "all the critics of this medium" used the quiz scandals as a lever to get legislation carrying out "their various theories & pet projects."

Transmitter fire at KXLF-TV Butte, Mont. has knocked the station off the air for "about a month," according to pres.-gen. mgr. E. B. Craney. In addition, satellites KXLJ-TV Helena & KFBB-TV Great Falls will be without the network service which KXLF-TV has been feeding them. They will continue with locally-originated programs. The fire began about 2 a.m. Nov. 9 and completely destroyed the equipment, reported Craney. The site, atop the Continental Divide, is extremely difficult to reach.

Viewer attitudes toward brands, before & after exposure to TV commercials, will be measured in Schwerin Research Corp.'s new "brand portrait" analysis of commercial effectiveness.

Top 100 Get 90% of TV's Dollars: Telecasters in the top 100 TV markets account for approximately 90% of total TV-station revenue, concludes a survey by Richard P. Doherty, ex-NAB vp and now a management consultant to broadcasters. During 1958, his study established, the top-100-market stations also attracted 90.08% of national-regional spot-TV advertising and 79.22% of TV's total "local" business.

The earning power of stations in the top 75 TV markets is even more pronounced. To these stations in 1958, Doherty reports, went 78.87% of the TV industry's total station revenue, 84.72% of total national-regional spot advertising, and 81.18% of the total network dollars paid to the industry's 516 stations. These top-75-market stations also sold 71.34% of total "local" TV advertising.

* * *

Spot-TV 1-min. rates were raised by more than half of the nation's commercial stations by the end of 1959's third quarter, *Media/Scope's* Nov. issue reports. Increases ranged from 3% to 163%, and only 2 TV stations lowered their min. rate during the same period. The upward trend was also at work in other media. During Jan.-Sept., 29% of all daily newspapers raised rates. One in 5 radio stations changed rates, with twice as many raising as lowering. An advertiser who spent \$100 in spot TV during Sept. 1958 would have to pay \$113.23 in Sept. 1959 to maintain the same schedule, said the study.

Polaroid's commercials, spotted as network participations in shows starring such personalities as Jack Paar, Dave Garroway and Garry Moore and in film-spot carriers (*Adventures in Paradise*, etc.) are now drawing nearly ¾ of that company's total \$2.5-million ad budget. Polaroid's preference for completely live or live/tape commercials is based on its use of name personalities to demonstrate how the camera delivers a finished photo in 60 sec. The suspense element (will the camera work?), Polaroid ad officials believe, heightens audience attention.

Federal TV & radio network proposed in West Germany as competition to systems operated by its 10 states has been rejected unanimously by the Bundesrat, upper house of the legislature in Bonn. Composed of representatives of the states, the Bundesrat turned down a govt. bill for the national network despite arguments that TV & radio have become too big for the states themselves to handle. Just before the vote the Soviet Union filed a formal protest against a plan by Chancellor Adenauer's govt. to establish radio HQ for the network in West Berlin.

Sales gains at WRCA-TV of 19.3% for Oct. 1959 over Sept. and 17.5% for Jan.-Oct. 1959 over the first 10 months of 1958, were announced recently by station mgr. Max E. Buck. New-to-TV advertisers currently on N.Y.'s Ch. 4 include 3 retailers of men's suits, as well as "a bulk of motion picture & Broadway play" advertisers. All N.Y. stations, with the exception of WNTA-TV, report they are in a profit position, with average sales increase over last year exceeding 25%.

Branham Co. has been named to represent the Forward Group stations: KGLO-TV & KGLO Mason City, Ia.; KHQA-TV & radio WTAD Hannibal, Mo.-Quincy, Ill.; WMTV Madison, Wis.

Drop-in of educational Ch. 13 in Fargo, N.D. was requested by the Joint Council on Educational TV in a petition filed with the FCC last week.

Who Are Broadcasters? NAB and the Assn. for Professional Broadcast Education are setting out on a joint research project to find out just what "kind of people we have in broadcasting."

Starting in Jan., researchers based at the U. of Ore., Eugene, will send out questionnaires to a sampling of 6,000 of 85,000 employes—supervisory & non-supervisory—of the TV-radio industry, selected at random from 2,500 stations. "The purpose is to learn more about the training, the attitudes, the backgrounds and the progress of those who work in our industry," said NAB personnel & economics mgr. Charles H. Tower in announcing the jointly-financed study.

Findings are expected to show: (1) Correlations between broadcasting job-experience & job-success. (2) Relationships between educational background & success. (3) What university-level training is needed for TV & radio. (4) Attitudes of employes toward the industry. (5) Shortages of broadcasting skills.

Quick action by WLOS-TV & WLOS crews minimized disruptions to the Asheville, N.C. stations when all cable facilities were cut off recently by a bulldozer working on a new superhighway. WLOS-TV lost its ABC-TV network feed and the radio station was thrown completely off the air, while all telephone communication to the stations was cut off. Chief engineer George Sprague quickly arranged for TV microwave direct from the phone company to the station, but had to send a driver 78 miles by auto & cable car to WLOS-TV's mountaintop antenna location to get the equipment—with police escort. The station lost only one hour of network programming, but remotely-controlled radio WLOS was knocked off the air 2½ hours.

Independent WPIX N.Y. is developing its own local version of the network-level trend toward long-length specials. It has sold two 90-min. pre-holiday children's programs to Remco, electronic-toy manufacturer. The first show, "March of the Wooden Soldiers," was slated for Nov 15 telecast. The shows, produced by WPIX and built around a combination of juvenile-slanted live action & films, mark the toy firm's entry into TV, bearing out a prediction made earlier this year by TvB that the coming pre-Christmas season will see many toy firms in TV.

News-gathering exploits of WJZ-TV Baltimore will be analyzed this week (19) in a 15-min. special narrated by news dir. Keith McBee, produced by assistant news dir. Gary Franklin. Spotlights will be the station's TV coverage of the airliner crash in Va. several weeks ago. One member of WJZ-TV's on-the-scene team was the only reporter with the first rescuers to reach the plane and find its lone survivor.

RAB is stepping up its Canadian activities and will increase its services to Dominion members, pres. Kevin B. Sweeney announced last week. Heretofore, Canadian outlets got only RAB printed material. Under the expansion program, they may draw from RAB's \$3-million data library, will have 2 or 3 area sales clinics in Canada next year, will get more services as more Canadian stations join.

Mutual has signed 5 new affiliates this month: WRIB Providence, R.I., WTYM E. Longmeadow, Mass., WKXV Knoxville, WPMC Ocala, Fla., and WBOW Terre Haute.

CKOS-TV Yorkton, Sask., will be interconnected by microwave to the CBC-TV network Nov. 28.

RCA uhf pylon antenna was shipped Nov. 10 to WKST-TV (Ch. 33) Newcastle-Youngstown.

Assn. of Maximum Service Telecasters will finance 2 engineering projects, to be conducted by Ia. State U.'s engineering experiment station at Ames, Ia. The MST board made the announcement after meeting in Washington last week. A one-year study of uhf signal propagation will begin in Jan., and a 3-month project to determine the extent & severity of adjacent-channel interference will begin Dec. 7. Dr. William L. Hughes, prof. of electrical engineering at Ia. State U., will head both projects. Ia. State U. engineering dean Dr. George Town, former exec. dir. of the Television Allocation Study Organization, said the adjacent-channel project will consist of house-to-house interviews to observe picture quality & measure signal strength in areas where stations operate on adjacent channels in close proximity to each other. New MST members, approved last week, were WRGB Schenectady, WTVT Durham, N.C. and WIBW-TV Topeka, Kan.

Waiver of TV-radio tower-painting rules was sought by WHAS-TV (Ch. 11) & WHAS Louisville last week. Under present FCC regulations, all antenna structures taller than 170 ft. must be painted by Jan. 1, 1960 with alternate, equal-width, bands of orange & white. The Louisville stations, which have been cooperating with the Federal Aviation Agency in testing different color schemes to determine which is best in high visibility for aircraft pilots, now has its radio tower painted black & white. The petition states that FAA is interested in testing the black & white tower but can't do so until budget arrangements are completed. Since final results of the FAA test would come after the tower-painting deadline, WHAS seeks the waiver to preclude repainting its tower at a cost of \$10,000.

WFAA-TV & KRLD-TV Dallas' 1521-ft. tower will soon double as a meteorological research structure for the Geophysics Research Directorate of the AF Cambridge Research Center. An automatic sensing & recording system, being built by Texas U. electrical engineering research lab, will measure & record winds & temperatures at 12 levels, beginning at 30 ft. The system, claimed to be the first of its kind, will study an atmospheric characteristic known as the low-level jet, which is said to result in a sharp increase in wind speed at a certain level, especially between midnight & sunrise.

Digital TV transmissions, claimed to have spectrum-saving & uhf-aiding potentials, according to Bureau of Standards engineer William C. Coombs and others (Vol. 15:42 p9), is the subject of a long article in the Nov. 2 *Electronic News*. The magazine reports the work of Colorado Research Corp., Denver, under a \$276,000 Army Signal Corps contract. In the article, CRC Pres. Dr. Richard C. Webb says the system shows particular promise for space technology and "may be capable of giving new life to commercial uhf TV broadcasting." He and exec. v.p. Burton T. Kehoe claim its greater resistance to noise and its extended range would overcome the problems of past uhf performance and "consumer receivers would require only an inexpensive converter between antenna & set."

Public Interest Award of the National Safety Council goes this week (16) to 9 TV stations "for exceptional service to farm safety." The recipients: WBBM-TV Chicago; WIBW-TV Topeka; WAVE-TV Louisville; WHDH-TV Boston; KFEQ-TV St. Joseph, Mo.; WDAF-TV, Kansas City, Mo.; WSJS-TV Winston-Salem, N.C.; KGW-TV Portland, Ore.; and educational WUNC-TV Chapel Hill, N.C.

Power boost: WKYT (Ch. 27) Lexington, Ky., is now operating at 215 kw from its new studio building.

Film & Tape

Desilu Negotiations Confirmed: B. Gerald Cantor, chmn. of National Theatres & Television, last week officially confirmed our exclusive disclosure (Vol. 15:45 p16) of negotiations to buy Desilu. Said Cantor: "It is true that there have been discussions between NT&T and Desilu studios with a view toward NT&T acquiring a majority stock interest. It is also true that we are constantly searching out new opportunities to further increase the value of our corporate assets, typified, for example, by NT&T's recent acquisition of National Telefilm Associates Inc. Discussions with Desilu at this time are in the most preliminary stage, and we can make no further comment."

It's known that NT&T is studying Desilu's prospectus and surveying the company's assets, particularly its 3 studios—Desilu Gower, Cahuenga and Culver. Desilu pres. Desi Arnaz will return from Rome (where he is starring in a telefilm) late this month and it is expected that negotiations will resume on a full-scale basis then.

Besides NT&T at least 3 other major companies have shown interest in purchasing the controlling stock of Desilu Productions, we're informed by Desilu exec. v.p. Martin Leeds. He declined to name them, but indicated that at least one was a major film studio. Chief beneficiaries of the sale would be Desilu's Desi Arnaz & Lucille Ball, of course, since the husband & wife comedy team owns 565,000 shares (49%) of the company. Leeds holds 35,000 shares. The rumor that the impending sale is due to matrimonial difficulties is quashed by both Mr. & Mrs. Arnaz, both of whom have firmly denied that there will be a divorce.

Quiz Fuss May Help Film: Righteously aloof from the quiz scandals, some Hollywood telefilm production executives think they will benefit from the "mess in Washington." They expect that many of the quiz shows taken off will be replaced by film.

Now that the investigations, recriminations and self-castigations have gone beyond quizzers to other types of live programming, the telefilmmers believe live TV is on the ropes. "We had the bulk of programming even before all this started. Now there will be even more filmed shows," remarked one executive. But another took into account "certain sponsors who can't afford film series, or who prefer live TV to film—particularly those using specials."

But the most accepted viewpoint in Hollywood is that while live TV will suffer and film will benefit from the quiz scandals, film's generally mediocre quality this season will prevent any rush to it. Telefilm's initial direct benefit from the quiz scandals came last spring when *Dotto* was axed on CBS, and Desilu sold 5 pilots for \$125,000 to fill the void. None of the pilots made the grade, but the fast sale enabled Desilu to recoup part of its production costs.

Sindlinger & Co. reported movie-theater attendance in Sept. increased 16.3% over Sept. 1958, while the number of viewers of old movies on TV dropped 16.1% during that month. In the second week of Sept. 1959 movie theater attendance experienced its "greatest year-to-year gain" of 23.3%, while TV audience for old movies decreased 18.7%, compared to last Sept., says Sindlinger. Also noted was average daily attendance at movies for the month (18.2 million) compared to average daily audience for old movies on TV (25.8 million). The figures pertain to persons 12 years of age and older.

Writers Guild's Proposals: In a comedy of errors, it leaked out in Hollywood last week that Writers Guild of America has proposed or "suggested" to movie producers a post-1948 movie-to-TV formula involving all the talent guilds. This brought a "no comment" from Screen Actors Guild and from Screen Directors Guild: "We don't know anything about it, but we won't try to negotiate for any other guilds in our talks."

The leak came from KTLA attorney Harry Warner, who told of the formula at a TV Academy meeting held ostensibly on the subject of TV commercials. How WGA's proposal got into the discussion remained a moot point, but it was a well-planned leak, Warner authorizing KTLA press agents to release the story before the meeting was held.

Warner said WGA has proposed that the guilds get 25% of the net or 15% of the gross of post-1948s released to TV. Of the 15%, 2.4% each would go to writers & directors, 7.2% to actors and 3% to the IATSE and other craft unions. The formula further provides that a producer would not have to pay until he recouped his negative cost. It sets 40% as the distribution fee for movies sold to TV. Of the remaining 60% the guilds would get 25%, which would break down to 4% each for writers & directors, 12% to actors and 5% to the IATSE & other crafts.

A Writers Guild spokesman immediately disavowed Warner's statement, denying that the Guild had proposed such a formula. Of Warner, he said, "He is not talking for the Guild. Why does this station lawyer indirectly working for a major studio [Paramount owns KTLA] make proposals on behalf of the guilds? He had no right to talk for us. We don't attempt to speak for the other guilds."

Said Warner: "The Guild made these proposals to the producers. I had talked to the Guild about them, and they told me their proposals. Now they're upset."

Said independent movie producer Walter Mirisch of the Mirisch Co., one of 7 independents which have signed a new agreement with WGA: "Yes, this post-1948 formula was suggested by the Writers Guild. However, this depends on the reaction of the other guilds. It also depends on whether or not the majors will accept, because our agreement is conditional on industry-wide acceptance."

It was evident the Writers Guild had a sloppy script on its hands, that indirect negotiations involving the other talent guilds had antagonized those organizations. "Each guild has its own problems. We don't try to solve theirs, and we don't expect them to solve ours," remarked Joe Youngerman, SDG's exec. dir.

Meanwhile, 2 more independent movie companies, James Hill and Lomitas Productions, the latter owned by Stanley Kramer, signed contracts with the Writers Guild.

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Endorsement of Coty Inc. Pres. Philip Cortney's recent statement that sponsors should not control TV programs was expressed last week by Edmund L. Hartmann, national chmn. of Writers Guild of America. He wrote Coty of the Guild's agreement with him and commented that "year by year sponsors & agencies seem to take over more . . . supervision of stories, characters and even dialogue."

Ziv's Sea Hunt, which recently began a 3rd year of shooting, has a 63-market lineup to date for the new films, including regional renewals by Standard Oil of Cal. and Heilemann Brewery. The score represents about 1/3 the markets in which *Sea Hunt* is aired. In its 2nd year the syndication series drew a 93% renewal record.

HOLLYWOOD ROUNDUP

Filmaster Stock Issue: Producer Robert Stabler last week consolidated three TV film companies he owns into one and is floating a \$2,461,238 common-stock issue under the name of the newly-formed company, Filmaster Inc. More than 50% of the money realized from the stock sale will go to underwriting 3 new telefilm series of 26 episodes each, and Stabler will also seek more TV film commercial & military business. He is opening an office in Orlando, Fla., to get some of the film business deriving from missile work in that area, and has named Charles E. Skinner vp in charge of this office.

James L. Fallon, pres. of Standard Securities Corp., which is handling the public stock issue, joins the new corporation as chmn. Stabler is pres.; Nat Perrin remains vp for entertainment programs; William H. Fitzsimmons is TV commercial vp; Glenn N. Cook is vp; Clifford E. Enger, secy.; Edward J. Baumgarten, treas.

Stabler originally formed Filmaster Productions to film *Have Gun—Will Travel* and *Gunsmoke* for CBS. Later he began Filmaster Productions for commercials and Filmaster Features. He no longer has the 2 Western series with which he began the company, but is producing *Death Valley Days* and *Hannibal Cobb*. Filmaster Inc., leasing space at Republic, has a \$10 million capitalization.

Cantor Heads NT&T: B. Gerald Cantor, pres. of Cantor, Fitzgerald & Co. Inc., last week was elected pres. and chief executive officer of National Theatres & Television, succeeding John Bertero, who has been NT&T president since Oct. of last year. Cantor is giving up his post as pres. of his investment company (but will continue as chmn.) so that he may devote full time to his new position. Bertero, who remains on the bd. of directors, will serve NT&T as a special consultant.

Without Edd "Kookie" Byrnes, Warner Bros. was filming its 77 *Sunset Strip* series last week. He refuses to work pending a contract readjustment (Vol. 15:45) The studio put Byrnes on layoff, not suspension, supposedly because meetings were being held last week between WB production chief Jack L. Warner and Byrnes' agents, the William Morris Agency, with the studio hopeful for a settlement. While WB and Byrnes aren't far apart in some areas (such as a raise), they are in others, dealing specifically with public appearances and TV guest shots. Byrnes has been offered as much as \$15,000 for TV guestings, but spurns them because WB gets the money. This was one of the factors which irked WB's *Maverick* star James Garner considerably, but he had his contract readjusted so that he now splits such revenue with the studio 50-50.

Producer Al Scalpone has acquired *My Love Affair With the State of Maine* as a series for his La Mesa Productions. CBS originally had the property, but let its option lapse. Scalpone will reshoot his *Man on the Beach* pilot, Dewey Martin starring. He also plans a series with producer-writers Richard Sale and Mary Loos.

Desilu Productions is preparing the pilot of an untitled 60-min. situation-comedy series written by Madelyn Pugh Martin & Bob Carroll. The producer is Cy Howard . . . 20th-Fox TV has signed Robert Bassing to develop a new series, *The First 100 Years*.

NEW YORK ROUNDUP

Blanket U.S.-Canadian order for UAA's *Big Mac Show*, 30-min. syndicated children's film show featuring 210 unreleased Warner Bros. comedies, has been made by National Biscuit Co. Nabisco's order is for 26 weeks in "any U.S. or Canadian market in which the program is sold," regardless of the customary requirements of station, market or time period. UAA is now contacting stations to reserve the show, generally sold to spot advertisers, in as many markets as possible.

CBS Films is running 21% ahead of 1958 on a market-by-market sales basis. In the last 9 weeks *The Phil Silvers Show* has been sold to 38 stations, *Trackdown* to 27, *Whirlybirds*, 24, *San Francisco Beat*, 20, and *Amos 'n' Andy*, 18 stations . . . CBS Films' *Rendezvous* has been bought by Dow Chemical Co., for Saran Wrap, in 5 Canadian markets . . . CBS Newfilm's daily news & sports coverage picked up 7 new subscribers including 3 U.S. & 4 foreign stations.

ABC Films sold 1st & 2nd year episodes of its *26 Men* in 7 more markets last week, for a total of 190 markets.

Essex Universal Corp. has sold, through International Radio & TV Programs, the *Superman* rerun syndication series to 22 commercial Japanese stations & Okinawan TV.

Marlene Dietrich, who came close to signing earlier this season as Revlon's Betty Furness of *The Big Party*, will star in a 90-min. color variety show being filmed by Bartell TV Productions in Paris. Orson Welles is producer. No sale has been reported.

Sam Cook Digges, administrative vp of CBS Films, was toastmaster Nov. 7 at the annual luncheon of the Benevolent Society for Retarded Children . . . Claire J. Catalano has been named production supervisor of all Trans-Lux Film Enterprises . . . Marge Kerr, ex Y&R casting dir., has formed People & Productions Inc., 750 Third Ave. (MU 7-0440). P&P will do TV casting & talent consultation . . . Al Eugster will head Animation Central, consultancy div. of Gifford-Kim Productions.

Al Neuman, new *Person to Person* producer, is visiting Paris & London to tape several interviews . . . Pee Wee Reese has been signed as co-broadcaster on CBS-TV's *Game of the Week* for the 1960 baseball season.

Screen Gems is developing 4 new properties for syndication, the first of which will be an adventure series to debut in Jan. starring Charles Bateman. The others are telefilm series based on the experiences of a criminal lawyer, *Indemnity* (adventures of insurance investigators) and *The DEW Line* (Distant Early Warning system).

CBS-TV is presenting *The Red Rowe Show*, a new daytime musical variety program, in the 10-10:30 a.m. slot starting Nov. 16 . . . Jack Benny has helped raise over \$1.7 million for musical benefits in the last 3 years. His latest appearance with the St. Louis Symphony Orchestra (Nov. 10) raised \$41,300 . . . Voice of America will rebroadcast the audio portion of ABC-TV's "Salute to Dr. Thomas A. Dooley," telecast Nov. 10.

Nearly 20 mobile TV-tape units are now in operation, reports the current issue of *Ampex Head Lines*, house organ of Ampex Professional Products Co.

Trade Report . . .

NOVEMBER 16, 1959

INDUSTRY'S FINANCIAL HEALTH: EXCELLENT: In page-one story last May, we made guarded prediction that "1959 may be electronics' top year" (Vol. 15:20). Now that most 3rd-quarter income statements have been issued (and reported in our Finance section), it is possible to change "may" to "will"—notwithstanding effects of steel strike and anticipated lower sales & earnings during 4th quarter.

Paced by excellent consumer electronics business, TV-electronics industry's sales & earnings almost universally continued to soar during 3rd quarter (as compared with 3rd-quarter 1958), while profits of all industries in general were up only moderately compared with year-ago period.

Our quarterly analysis of reports of 22 "weathervane" TV-electronics companies shows their aggregate 3rd-quarter after-tax profits up nearly 23% compared with 3rd-quarter 1958. And this is no comparison with a recession period—summer 1958 saw most companies emerging from first-half's economic doldrums. Earlier weathervane surveys this year indicated industrywide first-quarter profits up 22% over 1958 period (Vol. 15:20 p1), 2nd-quarter profits up 29% (Vol. 15:33 p15).

While 3rd-quarter profits were up 22.9% (vs. 4.7% for an all-industry sample of industrial companies by Wall Street Journal), the 3-month sales of these firms increased 12.5% over last year—graphically demonstrating more operating efficiency resulting in greater profit per sale.

For first 3 quarters of 1959, profits of electronics firms sampled were up 24.2%, on sales 11.3% higher than same 1958 period. About one-third of the companies in tabulation reported new records in sales and/or earnings for 3rd quarter or 9-month period. Here's how the 3 subdivisions of our TV-electronics company list made out in the 3-month & 9-month periods:

Eight companies on the list are known primarily as TV-radio manufacturers—even though some of them are substantially diversified into other fields. This consumer electronics group reported 3rd-quarter profits up 34.1%, sales up 23.4% over 1958. For 1959's first 9 months, earnings of the 6 consumer electronics firms which reported full 3-quarter results were 120.3% above same 1959 period on 27.8% higher sales.

Companies included in consumer electronics group tabulation: Admiral, Hoffman, Magnavox, Motorola, Philco, Siegler, Wells-Gardner, Zenith.

Components manufacturers continued to show biggest 1959-over-1958 improvement. Their aggregate 3rd-quarter net was up 58.4% on 21.4% higher sales, while 9-month earnings showed a 133.2% increase on 28.4% greater sales.

The 7 firms in our components group (6 represented in 3rd-quarter tabulation, 5 in 9-month score): General Instrument, International Resistance, Mallory, Muter, Oak, Speer Carbon, Standard Coil.

The widely diversified electronics companies, as might be expected, showed smallest gains, but among the 7 firms represented, the 3rd-quarter increase still amounted to 20.8% rise in profits on 10.6% more sales than 3rd-quarter 1958. For first 9 months of this year, aggregate net profits were up 18.7%, while sales rose 9.2% over the same 1958 period.

Diversified electronics group in our tabulation consisted of Daystrom, GE, General Telephone & Electronics, RCA, Raytheon, Thompson Ramo Wooldridge, Westinghouse.

Every company in our 22-firm tabulation showed higher 9-month profits & sales in 1959 than in 1958, and only 3 firms (one in each of the consumer electronics, components & diversified groups) reported lower 3rd-quarter profits this year than last.

What of the 4th quarter? From our talks with company officials, reports to stockholders, etc., indications are that many electronics firms look for 4th-quarter profits to be somewhat lower than 3rd quarter. But some consumer electronics companies still expect 4th-quarter sales & earnings to be best of year.

This table summarizes our 1959-vs.-1958 comparison of operating results of the 22 TV-electronics weathervane firms in terms of aggregate increases over 1958:

	3rd Quarter		First 9 Months	
	Net Profit	Sales	Net Profit	Sales
Consumer Electronics Group (8 companies)	+34.1%	+23.4%	+120.3%	+27.8%
Components Group (7 companies)	+58.4%	+21.4%	+133.2%	+28.4%
Diversified Group (7 companies)	+20.8%	+10.6%	+ 18.7%	+ 9.2%
AGGREGATE 22 COMPANIES	+22.9%	+12.5%	+ 24.2%	+11.3%

TV SET PURCHASES 'RE-DEFERRED'? One of TV industry's most respected market-research departments has pared its 1959 TV-set-sales projection from 6.3 million units down to 5.7 million—conforming pretty well with our 5.8-million forecast of 3 weeks ago (Vol. 15:43 p16).

Reason: public economic uncertainty about outcome of steel dispute. In addition to effects of strike already felt, it may be end of Jan. before it's known whether steel workers will walk out again. The industry analyst explained revision of his forecast this way:

Excellent TV sales had been predicted for 1959 because of "deferred purchases" of TV sets during 1958's recession. This pent-up demand as result of postponed buying was estimated by our research source as totaling about a million sets. Some of it showed up in TV market this year, but most of it is now being "re-deferred" to next year because of the clouded economic picture in steel & dependent industries. Good times next year should see unusually heavy TV demand as a result of more than year's "dormant demand."

Not that 1959 will have been "bad" year (see financial roundup on p. 18). Official EIA figures show 684,773 TV sets sold at retail in Sept. (vs. 605,638 in Sept. 1958) and 9-month retail sales of 3,811,784, (3,486,090 in last year's period). Details are on page 20.

Inventories are in healthy shape for this time of year—2,331,000 in all levels of trade as of Oct. 1, nearly half of it at dealer level in anticipation of Yule season sales. Total inventory figure is about 20 weeks' supply at going rate of sales. This compares with 21-week inventory in Oct. 1958 and 22 1/2-week supply in 1957. Retail inventory totaled some 1.1 million as of Oct. 1 and was rising to a peak; distributor inventory totaled about 900,000 and was falling; factory supply 300,000 and going down.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 6 (44th week of 1959):

	Oct. 30-Nov. 6	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	140,966	158,503	111,554	5,335,609	4,177,250
Total radio	373,683	456,028	344,204	13,093,565	9,264,287
auto radio	91,362	125,056	117,585	4,774,630	2,798,862

Ampex Corp., its reorganization completed (Vol. 15:44 p14), now conducts its domestic business through 5 integrated companies: (1) Ampex Data Products Co. (instrumentation, computer products), John Jipp, mgr. (2) Ampex Professional Products Co. (equipment for TV-radio & recording industries), Neal K. McNaughten, mgr. (3) Ampex Military Products Co. (research & development), Robert L. Pappas, mgr. (4) Ampex Audio Inc. (stereo, hi fi, pre-recorded tape distribution), Herbert L. Brown, vp-mgr. (5) Orr Industries (magnetic tape), John M. Leslie, mgr. Foreign operations are conducted through Ampex International, Phillip L. Gundy, mgr. Jipp, McNaughten, Brown, Leslie & Gundy are vps of parent Ampex Corp.

Slow-speed tape cartridge quietly being developed by Minn. Mining & Mfg. (it plays at 1-7/8 ips, is about the size of a package of cigarets, and can be stacked like records to play in sequence) is the subject of an editorial warning in the Nov. 16 *Billboard*. The publication cautions record dealers to "sell tape now!" First reported in the Nov. 9 issue, the 3M cartridge—which will compete for the mass market with the RCA-developed system when launched next year—has aroused interest from Zenith, Columbia and Philips, and is reported to have accelerated RCA Victor's plans to introduce a low-price, plug-in tape player attachment.

Fraudulent TV-repair charges have resulted in a 15-day jail term and a one-year suspended sentence for a Fairfax County, Va. repairman. Thomas M. Lowery, owner of the Mobile TV Co., was charged with petty larceny for charging \$36.30 for repairs which weren't made. The set had been completely repaired & sealed by another repairman, who deliberately broke one tube before the owner called Lowery. Lowery presented his bill for "reworking a sound circuit, reworking the video circuit, restoring high voltage and cleaning & adjusting the channel selector." According to Fairfax detective W. J. Nelson, Lowery actually replaced 2 tubes costing less than \$5. Fairfax County Judge J. Nathan Groves gave the repairman a year's suspended sentence with 3 stipulations: Good behavior, return of all TV sets in his possession and no other "credible complaints" against him.

Vornado Inc. is the new name for the merged O.A. Sutton Corp. and 2 Guys from Harrison Inc. The latter group operates 14 appliance & general retail stores in N.Y., N.J., Md. & Pa.; the former used to produce Vornado fans & air conditioners, but recently liquidated all its assets due to heavy losses. The resulting firm, to be listed on the American Stock Exchange, is expected to produce a new line of Vornado products.

TV-RADIO SALES & OUTPUT: Both retail sales & factory production of TV & radio receivers stayed well ahead of 1958 in Sept., according to last week's EIA figures.

Sales of TV sets in Sept. 1959 totaled 684,773 units vs. 492,449 in Aug. and 605,638 in Sept. 1958. For the first 9 months of this year, sales totaled 3,811,784 vs. 3,468,090 last year. Factory output of TVs was 808,377 (51,555 with uhf tuners) in Sept. vs. 547,445 (32,847 uhf) in Aug. and 621,734 in Sept. 1958. TV production for the 9-month period totaled 4,488,857 vs. 3,572,189 in the year-ago period.

Here's the month-by-month comparison of TV set production & sales for first 9 months of 1959 & 1958:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	370,413	448,727
March	494,032	425,749	416,903	416,756
April	389,251	263,998	302,559	243,132
May	431,911	279,536	266,982	237,189
June	571,003	344,795	377,090	250,362
July	350,360	370,575	274,999	279,010
August	547,445	492,449	507,526	405,790
September	808,377	684,773	621,734	605,638
TOTAL	4,488,857	3,811,784	3,572,189	3,468,090

Radio retail sales totaled 928,457 in Sept. (excluding auto sets), up from 671,713 in Aug. and 750,026 in Sept. 1958. For the 9-month period, sales were 10,927,252 vs. 7,686,197 in the same 1958 period. Sept. radio production totaled 1,981,208 (717,501 auto & 76,942 FM) vs. 1,009,423 (279,424 auto & 42,866 FM) in Aug. and 1,492,668 (489,738 auto) in Sept. 1958. Cumulative 9-month output totaled 10,927,252 (4,151,846 auto & 367,804 FM) in 1959 vs. 7,686,197 in 1958.

Factory sales of picture tubes for Sept. totaled 913,697 units valued at \$18,066,647. For first 9 months, 6,857,682 picture tubes were sold at \$132,465,278. Sept. receiving tube sales totaled 41,989,000 units at \$34,594,000, and 9-month sales were 315,797,000 units at \$269,128,000.

Record retail sales topping \$200 billion and bigger-than-ever Christmas business were forecast for 1959 by the *Wall St. Journal* last week. Other facts noted in the business study: Sept. output of TV-radio was 28% ahead of Sept. 1958 . . . "Industry statisticians calculate there were over a million TV sets in dealers' hands at the start of Oct.—compared with only 840,000 a year earlier." . . . Giants RCA, GE & Westinghouse foresee ample inventories at the dealer level to supply anticipated heavy Christmas demand for TV-radio-phonos and appliances.

Stepped-up enforcement of Robinson-Patman Act prohibitions against price discrimination by sellers in favor of preferred customers was announced last week by FTC Chmn. Earl W. Kintner. He told a N.Y. meeting of the Grocery Manufacturers of America that 10 of FTC's "younger, most able executives" have been assigned to a special task force headed by secy. Robert M. Parrish to make sure that the law is "more plainly & forcefully interpreted" to businessmen. Kintner's move in the fair-pricing field followed his order last month doubling the FTC's TV-radio monitoring unit for a bigger campaign against fraudulent broadcast commercials (Vol. 15:43 p44).

Emphasis is on sound in Packard Bell's new model 17T-4 Astronaut 88 portable. It contains a front-mounted 6-in. speaker with hardwood sound chamber. In saddle-stitched alligator cabinet it lists at \$230, in black at \$220.

COMPONENT SALES SOAR: Confirming the results of our component survey last week (Vol. 14:45 p17) and the analysis of component makers' financial reports on page 18 of this issue, a new govt. study shows the electronic part & tube industry is now on the crest of its biggest rise since the Korean war period.

First-half 1959 shipments of tubes, semiconductors and other major components were 30% higher than during the comparable 1958 period and 15% above last-half 1958, according to the electronics div. of the Commerce Dept.'s Business & Defense Services Administration.

Director Donald S. Parris of the electronics div. said the data were developed from an analysis of returns from 450 firms "whose output represents a very large sample of the total production of these products in the U.S."

Principal categories of components shipped during the first half of this year are presented in the abbreviated table below. The complete table, including subdivisions of the categories below, is available from the electronics div., Business & Defense Services Administration, Commerce Dept., Washington 25, D.C.

TUBE & SEMICONDUCTOR SHIPMENTS

First-Half 1959

Category	Units (add 000)			Value (add 000,000)		
	Total	Mili-tary	Non-military	Total	Mili-tary	Non-military
Receiving Tubes	214,903	17,036	197,867	\$188.1	\$35.4	\$152.7
TV Picture Tubes.....	4,500	—	4,500	87.9	—	87.9
Power & Special-Purpose Tubes	5,751	1,702	4,049	124.7	87.5	37.2
Semiconductors	93,880	22,723	71,157	177.2	74.4	102.8

ELECTRONIC COMPONENT SHIPMENTS

First-Half 1959

Category	Units (add 000,000)			Value (add 000,000)		
	Total	Mili-tary	Non-military	Total	Mili-tary	Non-military
Capacitors	587.8	67.6	520.2	\$111.1	\$33.8	\$ 77.3
Connectors	41.4	26.6	14.8	69.8	49.1	20.7
Quartz Crystals	1.8	.7	1.1	5.1	2.0	3.1
Relays	11.7	4.5	7.2	85.2	45.1	40.1
Resistors	972.9	151.8	821.1	112.0	53.9	58.1
Transformers & Reactors	11.2	3.2	8.0	68.0	38.2	29.8

Good business in 1960 for the appliance industry was predicted last week by GE pres. Robert Paxton, currently on a tour to ascertain consumer buying attitudes. Looking ahead to what he termed a strong business year, Paxton foresees an expansion of consumer credit purchases—also a rise in appliance prices if the cost of steel should increase. "We have no magic wand to halt inflation," he said. Paxton pointed out that the steel strike had not curtailed GE production to any extent until recently, that GE consumer products have been produced in ample quantities to supply retailers through Christmas, and that "any production we carry on now will be for 1960."

Hoffman Electronics last week unveiled "the world's largest solar energy converter," Big Bertha, to demonstrate the growing use of sunlight as a source of power. The company's giant generator, whose silicon solar cells convert light into electricity, powered a door-opening device which dedicated the firm's new \$2-million semiconductor center in the El Monte suburb of Los Angeles. Hoffman Pres. H. Leslie Hoffman said at the ceremony that the center was designed to meet the growing requirements for electrical power generators in space vehicles, including manned "platforms." Completion of the new center more than doubles the semiconductor div.'s production capacity and increases its annual sales potential to about \$35 million.

Sylvania adds 12 stereo consoles to its hi-fi line, at suggested list prices from \$200 to \$595.

Japan's 'Dangerous Game': A top U.S. foreign trade official last week delivered to Japan a stern warning which may give some hope to American manufacturers of transistors & radios. In Tokyo, Harry Kearns, U.S. asst. commerce secy. for international affairs, criticized the Japanese tendency to flood U.S. markets with items in a narrow field while retaining barriers against imports of American goods.

If Japan continues to play the "very dangerous game" of discrimination against U.S. products, it is likely to provoke damaging restrictions on sales of Japanese goods in the U.S., he said. Kearns also disclosed that he had warned Japan against a continuance of the narrow-field trend in exports, causing distress to domestic competitors. It is "absolutely essential," he said, that "all discriminatory restrictions [against U.S. goods] be removed immediately."

Among items whose import to Japan from the U.S. are severely restricted are TV sets, air conditioners, refrigerators, sewing machines, musical instruments, office equipment, automobiles and certain raw materials and foods.

Meanwhile, in Washington, the Office of Civil & Defense Mobilization indicated that it will extend the Nov. 17 deadline for comments in its investigation of EIA complaints that importation of transistorized Japanese products are cutting into the U.S. electronics industry's defense capacity (Vol. 15:45 p19). The length of the extension won't be known until later this week when OCDM dir. Leo A. Hoegh returns to Washington.

The extension was requested by the Japanese Mfrs. Assn., the British Chamber of Commerce and the International Union of Electrical Workers.

A letter from Admiral Pres. Ross D. Siragusa to OCDM Dir. Hoegh last week urged an immediate study of "the effect of these growing Japanese electronics imports on the American electronics industry." Concluded Siragusa: "We feel that the situation should be carefully reviewed when the jobs of Americans are threatened and our domestic electronics defense production potential may be affected."

* * *

Japanese radio manufacturer Sony Corp. was reminded by FCC last week that Commission regulations require that radios tuning the 30-890 mc band be certified as complying with radiation limits specified in Part 15 of the rules before they may be operated legally. The FCC noted that U.S. manufacturers certify that their sets comply with the rules and it "feels that you as a manufacturer may wish to assume this obligation to your customers and supply them with receivers that can be operated legally." FCC also said it is preparing a public notice on Part 15.

* * *

New transistor portables, Japanese & American-made: Magnavox is introducing two 6-transistor radios, to list at \$29.95 & \$34.95, both made in Japan, and 2 portable battery-operated stereo phonos at \$119.90 & \$129.90. It was not disclosed whether the phonos are Japanese-made. RCA, meanwhile, will enter pocket-size radio field with two 6-transistor sets named, pointedly, "All-American Pockette Personals," at \$34.95 & \$39.95. Deliveries are due by Dec.

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Two-band transistor portable standard broadcast & long-wave radio, designed to list at \$99.95, is termed by Zenith "the most sensitive radio of its kind in the world." The new Royal 780 Navigator is designed to provide distant reception of standard AM broadcasts and long-wave govt. weather-navigation stations and to serve as a self-powered standby navigational instrument in air or sea craft.

Competition from Japanese transistors or any other imports was welcomed by Motorola pres. Robert W. Galvin, as he spoke in Washington last week at a dinner honoring 18 prize-winning Motorola distributor salesmen leaving for Europe with their wives as part of the State Dept.'s "People to People" program. Motorola is the first industrial firm to participate in the program. Said Galvin: "We believe in unrestricted trade throughout the world. A few people are retreating from our country's reciprocal trade policies. We're not. If the Japanese, French or English can make transistors cheaper than we can, more power to them. Motorola continues to win an increasing share in the electronics business through the American tradition of invention, innovation, performance and service. I think this is also the only economical sound way to compete with the long hoped for rise in the fortunes of our friends in foreign lands." Conger Reynolds, chief of U.S. Information Agency's "People to People" program, urged the salesmen to restrain their impulses to sell, to become "simpatico" with their foreign counterparts instead. Guests at the dinner included officials of embassies of France, Italy & Germany, Sens. Capehart (R-Ind.) & Randolph (D-W.Va.).

U.S. is Britain's biggest customer for hi-fi & other audio equipment, reports British Radio Equipment Mfrs. Assn., which also gives these facts about British exports of hi-fi gear: In 1958, Britain exported \$30.8 million worth of hi-fi equipment, about \$11.2 million of it to the U.S., a total of \$14 million to all of North America. For the first 6 months of 1959, audio equipment exports totaled about \$14 million, of which \$5.6 million went to the U.S. Record-playing devices comprise the leading category of British audio exports—responsible for more than \$14 million of last year's total, \$8.4 million of which went to the U.S. The British audio industry will have its own display at the British Exhibition, N.Y., next June.

Closed-circuit-TV translating device was patented by the late Washington patent-attorney & engineer John B. Brady. Designed to replace earphone translation systems like the one used at the UN, Brady's apparatus uses a teletype operator to transcribe texts of speeches as they are translated by an interpreter in a soundproof booth. The teletype tape is scanned by a TV camera and the audience reads the translation on closed-circuit receivers. Brady, 62, died last week in Washington as a result of an automobile injury—just one week after the patent was issued.

Electronic substitutes for heart, lungs and other vital organs were envisioned by RCA's Gen. David Sarnoff in an address last week to the B'nai B'rith Board of Governors. He was awarded the organization's President's Medal, for "creative genius in higher communications—advancing knowledge & understanding between men & nations." Looking into electronics' future, Gen. Sarnoff declared: "It is conceivable that eventually miniaturized electronic substitutes will be developed to serve as long-time replacements for organs that become defective through injury or age." He also envisioned an electronic "dashboard" for the human body—"a home device, like scales, that will register not only weight but heart beats, blood pressure, pulse data. Moreover, it will carry an alarm system advising the user when to consult a physician."

Unique TV-radio stereo simulcast—the first to be sponsored by manufacturers of hi-fi components—was presented Nov. 15 on NBC's WRCA-TV & WRCA N.Y. *Project Stereo: '60* traced the development of sound reproduction from Edison's phonograph to today's component stereo systems. Sponsors were Bogen, Garrard, Electro-Voice.

RCA Files AM Stereo Plea: Going it alone after withdrawing from the industry-wide National Stereophonic Radio Committee because of anti-trust fears, RCA Nov. 13 petitioned FCC to adopt its AM stereo broadcast standards. The NSRC is expected eventually to file its own findings on the various AM stereo systems, but it is giving top priority now to FM systems, since the FCC has asked for FM—but not AM—proposals (Vol. 15:42 p18).

RCA asked the Commission to approve the system it demonstrated to some FCC members & staffers last March on WRCA N.Y. (Vol. 15:9 p3, 10 p4). The compatible system transmits a full monaural signal to standard radios, stereo signal to special stereo sets on the regular AM broadcast band. Two AM signals are transmitted by the station, together with a frequency-modulated difference signal. The latter signal is ignored by standard radios, but used by stereo receivers to separate the 2 sound channels.

"For the broadcaster, the system requires only simple additions to a standard broadcast transmitter," RCA said in its petition. "For the public, [it] involves the addition of only a small amount of circuitry [to produce] a stereo radio tuner, with the result that its cost would be slightly greater than that of a conventional monophonic tuner."

RCA indicated that it may also file an FM stereo standards proposal. In its comments it stated that it has been conducting research into the best methods of compatible FM broadcasting.

Trade Personals: New organizational structure of RCA semiconductor & materials div. to give "greater emphasis to major product programs" has resulted in appointment of managers for 4 new depts.: Thomas R. Hays transferred from sales dept. mgr. to mktg. dept. mgr.; Norval H. Green from gen. quality control mgr. to entertainment semiconductor products mgr.; Kenneth M. McLaughlin from plant mgr. of Lancaster (Pa.) color kinescope plant to computer products & materials mgr.; Barnes V. Dales from modules engineering mgr. to micromodule dept. mgr.; industrial semiconductor dept. mgr. will be named later . . . Allan B. Dickenson, former color kinescope mfg. mgr., succeeds McLaughlin as Lancaster color kinescope plant mgr.

Robert F. Halligan named Hallicrafters exec. vp & gen. mgr. . . . Sydney W. Natkin, ex-RCA Service Co., named National Radio Co. asst. gen. mgr. . . . Raymond T. Leary promoted from vp-sales mgr., distributor div., to Cornell-Dubilier gen. sales mgr. . . . James E. Dingham elected AT&T vp & chief engineer, succeeding Harold R. Huntley . . . Thomas Garvin named Magnavox acting West Coast sales mgr. . . . Edward Lisovicz named to new post of industrial & military cathode-ray tubes div. mgr., Thomas Electronics.

Dr. Frank A. McMahon named mgr., General Precision Labs service & support dept., with responsibility for ground support equipment, repair, spare parts, publications, field service & training . . . Edward J. Danneberg promoted from industrial relations dir. to new post of personnel vp, Tung-Sol; E. Leslie Peter named sales mgr. of Tung-Sol's new Canadian div., Tung-Sol Sales Corp., Montreal.

Warren B. Lincoln, ex-Chrysler Corp., named Stromberg-Carlson budget dir. . . . David L. Simonds, A. C. Simonds & Sons, elected pres., Dominion High Fidelity Assn. (Canada), succeeding H. Roy Gray, Astral Electrical Co. . . . Walter T. Davis appointed Western sales mgr., Arvin electronics & appliances div., succeeding Weldon Payne, named Eastern sales mgr.

Finance

New Highs for CBS: Sales & net earnings for the first 3 quarters of this year set new 9-month records for CBS Inc. The previous records were set last year. The company's directors raised the quarterly dividend to 35¢ a common share from 30¢ and declared a 3% stock dividend payable Dec. 24 to holders Nov. 27 (see dividend table).

In their report to stockholders, Chmn. William S. Paley and Pres. Frank Stanton said that 2 non-recurring adjustments & transactions in the first 9 months would have the combined effect of a charge to the 4th-quarter net income of 10¢ a share. Income taxes of about \$700,000 on inventory profits, included in last year's tax provisions, were deferred in prepaid expense. CBS Inc. also disposed of its 50% ownership in Pacific Ocean Park, Santa Monica, Cal. (Vol. 15:44 p11), with a resulting charge to net income of \$2.4 million. Included in the 9-month net income is \$900,000 profit on the sale of the Alvin Theater, N.Y. Report for 9 months ended Sept. 30:

	1959	1958
Sales	\$318,291,438	\$300,738,926
Net income	17,496,934	16,522,462
Earned per share	2.15	2.10
Average shares	8,129,481	7,881,400

Meredith Publishing Co. derived 18.5% of its total revenues from its broadcasting interests (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, WBRC-TV & WBRC Birmingham, WKYT Lexington, Ky., and 30% of WBIR-TV & WBIR Knoxville) during the 3 months ended Sept. 30. The income statement for the period:

	1959	1958
Total revenues	\$14,167,884	\$11,716,354
From publishing	10,215,644	9,283,508
From broadcasting	2,599,576	2,305,710
Other	1,352,664	127,136
Net profit	1,264,106	786,899
Earned per share	97¢	61¢
Shares outstanding	1,299,421	1,298,065

Metropolitan Bcstg. Corp. gross revenues for 39 weeks ended Oct. 4 totaled \$11,765,168. Combining the newly released revenue figures with the net income figures already reported (Vol. 15:44 p22) gives this picture for 39 weeks to Oct. 4:

	1959	1958
Gross revenues	\$11,765,168	\$9,762,415
Net income	1,197,097	219,394
Earned per share	77¢	14¢
Shares outstanding	1,549,012	1,541,137

Gross Telecasting Inc. (WJIM-TV & WJIM Lansing, Mich.) reports, for first 9 months of 1959, a decrease in operating revenues to \$1,916,784 from \$1,994,496 and in net income to \$460,207 from \$529,246 for the same 1958 period. For 3 months ended Sept. 30, revenues were up to \$655,183 from \$622,094, net income down to \$155,776 from \$171,826 in 3rd-quarter 1958.

Loew's Theatres Inc., the theater-operating company which was spun off Loew's Inc. (MGM), reports net income of \$2,007,251 (75¢ a share) for the year ended Aug. 31. No comparison with the preceding year is possible because the theater firm was not in existence for the fiscal year 1958. The company owns radio WMGM N.Y.

Decca Records' net income more than doubled in the 9 months ended Sept. 30:

	1959	1958
Net income	\$911,260	\$394,353
Earned per share	60¢	26¢
Shares outstanding	1,527,401	1,527,401

Sonotone Corp. sales & profits rose sharply in the 3rd quarter ended Sept. 30, and pres. Irving I. Schachtel predicted that 1959 earnings would "approach \$1 a share" and establish a new high. July-Sept. sales increased to \$6,597,000 from \$4,719,000 in the year-ago quarter and profit more than doubled to \$348,951 from \$158,611. Schachtel also reported that Oct. sales were the highest of any month in Sonotone history. For 9 months ended Sept. 30:

	1959	1958
Sales	\$18,271,000	\$15,980,000
Net income	829,201	539,424
Earned per share	70¢	45¢
Shares outstanding (1959)	1,147,025	1,147,025

Motorola's recent record market performances probably stem from the increasing interest of large funds, including investments trusts, finance vp Edwin P. Vanderwicken said last week. Noting Motorola's current bright financial picture (Vol. 15:44 p21) and Pres. Robert W. Galvin's forecast that 1959 should "comfortably" set new highs, Vanderwicken said: "That prediction looks more comfortable than ever."

American Television & Radio Co. reported a 15-fold profit increase on a 23% jump in sales for the fiscal year ended June 30. Net income rose to \$13,532 compared with \$859 in fiscal 1958. Sales increased to \$1,109,493 from \$909,415. Pres. Albert A. Goffstein said that sales in the first fiscal quarter ended Sept. 30 were 45% ahead of those in the year-ago quarter.

Compensation of top Sylvania executives last year, as disclosed in its prospectus issued in connection with the sale of \$25 million in 5½% debentures: Chmn.-Pres. Don G. Mitchell, \$150,000 plus \$1,623 paid to retirement & savings accounts; senior vps W. Benton Harrison, Frank J. Healy, Robert E. Lewis & Barton K. Wickstrum, each \$59,999 plus \$709 paid to retirement & savings accounts.

Hallicrafters Co. net income more than doubled to \$480,602 in the 8 months to Aug. 31, compared with \$225,152 in the same 1958 period. The profit increase mirrored a sales gain to \$15,904,952 from \$13,093,550.

Page Communications Engineers Inc. anticipates that sales in the fiscal year ending July 31, 1960 will rise to \$16 million from fiscal 1959's \$12.1 million, pres. Thomas V. Jones of parent Northrup Corp. said last week. He foresees Page sales reaching \$21 million in fiscal 1961.

Reports & comments available: Jerrold Electronics, analysis, Carroll & Co., 24 Commerce St., Newark, N.J. . . . Electronics Capital Corp., analysis, W. H. Tegtmeier & Co., 39 S. LaSalle St., Chicago 3 . . . National Company, Inc., prospectus, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . RCA, study, Eastman, Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . General Precision Equipment, analysis, W. E. Hutton & Co., 14 Wall St., N.Y. 5 . . . Siegler, comments in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . Eitel-McCullough, Inc., prospectus, Schwabacher & Co., 14 Wall St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
AB-PT	Q	\$0.25	Dec. 15	Nov. 20
Collins Radio	Q	.50	Jan. 2	Dec. 18
CBS	Q	.35	Dec. 11	Nov. 27
CBS	Stk.	3%	Dec. 24	Nov. 27
General Instrument ..	—	.15	Dec. 15	Nov. 17
Storer Bestg. Co.	Q	.45	Dec. 15	Nov. 27
Storer Bestg. Co. "B" .	Q	.06	Dec. 15	Nov. 27

Wells-Gardner's earnings for the first 9 months of 1959 were double those of 1958 on increased sales, but Pres. Robert S. Alexander told stockholders that 4th-quarter sales & profits will be "somewhat lower" than the 3rd-quarter figures. The company's backlog of unfilled orders Sept. 30 was \$6,936,275 vs. \$6,249,202 a year earlier. For 9 months ended Sept. 30:

	1959	1958
Sales	\$17,986,967	\$12,901,420
Net earnings	525,485	262,463
Earned per share	1.25	62¢
Shares outstanding (1959)	421,800	421,800
For 3 mos. ended Sept. 30:		
Sales	\$8,927,138	\$6,026,450
Net earnings	371,462	278,470
Earned per share	89¢	66¢

Standard Coil Products net income soared nearly 500% on a 20% jump in sales in the 9 months ended Sept. 30, pres. James D. Burke reported last week. Increasing demand for Standard's new miniaturized TV tuner, plus higher production efficiency in the firm's tuner div., "contributed materially to the fine profit showing," he said. Standard's tuner sales are running 50% ahead of last year, Burke told us recently (Vol. 15:45 p18). For 9 months ended Sept. 30:

	1959	1958
Net sales	\$54,227,527	\$45,241,321
Net income	1,039,497	212,768
Earned per share	54¢	11¢
Shares outstanding (1959)	1,925,779	1,925,779
For 3 months ended Sept. 30:		
Net sales	\$19,005,960	\$16,191,801
Net income	399,794	187,924
Earned per share	21¢	10¢

General Precision Equipment Corp. reports a sharp increase in 3rd-quarter and 9-month sales & profits in 1959 compared with the corresponding periods of last year. Chairman J. W. Murray predicted 1959 sales would top \$200 million for the first time and that full-year earnings would total \$2.50 a share. He said the company is planning to increase its non-military business through "further diversification & expansion in consumer products & industrial controls." For 9 months ended Sept. 30:

	1959	1958
Sales	\$156,420,305	\$122,772,431
Net income	3,043,628	915,612
Earned per share	1.91	5¢
Shares outstanding	1,125,810	1,125,810
For 3 months ended Sept. 30:		
Sales	\$54,118,866	\$37,331,503
Net income	980,507	160,678
Earned per share	57¢	—

Litton Industries reports sharp gains in sales & net income for the fiscal year ended July 31. The Cal.-based firm also announced it has acquired a majority interest in Svenska Dataregister AB, Swedish maker of Sweda-brand cash registers & point-of-sale recording equipment (Vol. 15:35 p18), and has purchased full ownership of 2 companies which distribute Svenska's products in the U.S., Mexico, Switzerland. For the fiscal year ended July 31:

	1959	1958
Sales etc.	\$125,525,561	\$83,155,473
Net income	5,975,031	3,702,203
Earned per share	3.24	2.07
Shares outstanding	1,796,204	1,691,389

American Bosch Arma common stock trading privileges on an unlisted basis are sought by the Philadelphia-Baltimore Stock Exchange in an SEC application. The stock now is listed on the N.Y. Stock Exchange.

Texas Instruments racked up record sales & earnings during the 3rd quarter and passed 1959's three-quarter mark with sales & earnings running more than double those of the year-ago period, pres. P. E. Haggerty reported last week. For 9 months ended Sept. 30:

	1959	1958
Sales billed	\$140,899,000	\$64,056,000
Net profit	9,877,000	3,591,000
Earned per share	2.50	1.10
Shares outstanding	3,914,630	3,256,988
For 3 months ended Sept. 30:		
Sales billed	\$46,700,000	\$21,867,000
Net profit	3,572,000	1,448,000
Earned per share	89¢	44¢

International Resistance Co. sales soared 47% and net income more than quadrupled to set new levels during 1959's first 42 weeks, chmn. Charles Weyl reported last week. He noted that sales for the 17 weeks ended Oct. 18 were up 31% to \$6,267,440 and that net income had gained to \$565,769 from \$381,073 for the same 1958 period. "It appears that net earnings for 1959 will be substantially above the best previous year in the company's history," he said. For 1959's first 42 weeks:

	1959	1958
Sales	\$15,676,568	\$10,642,998
Net income	1,493,370	309,825
Earned per share	1.08	23¢

General Dynamics Corp. profits skidded some \$12 million despite a sales gain of more than \$32 million during Jan.-Sept., Chmn. Frank Pace Jr. reported last week. He also announced that the firm's backlog had reached a record \$2.502 billion, compared with \$2.095 billion last year. For 9 months ended Sept. 30:

	1959	1958
Net sales	\$1,186,045,943	\$1,153,498,834
Net income	16,844,682	28,740,152
Earned per share	1.70	2.92
Shares outstanding	9,936,442	9,842,191

American Electronics reports a profit on increased sales for 1959's first 3 quarters, compared with a loss suffered during the year-ago period. For 9 months ended Sept. 30:

	1959	1958
Net sales	\$15,360,403	\$12,630,479
Net income (loss in '58) ..	353,084	(886,549)
Earned per share	40¢	—
Shares outstanding	874,272	869,994

Amphenol-Borg Electronics reports a moderate increase in net income on sales that jumped 24% during 1959's first 3 quarters. Orders increased 37% during the period. For 9 months to Sept. 30:

	1959	1958
Net sales	\$41,542,630	\$33,395,167
Net income	1,975,368	1,649,930
Earned per share	1.69	1.42

Transitron Electronic Corp., Wakefield, Mass. manufacturer of semiconductor products, has filed a SEC registration statement (File 2-15809) for public sale of 1,000,000 outstanding common-stock shares through an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith. Sellers of 500,000 shares each are Transitron Pres. David Bakalar & Chmn.-Treas. Leo Bakalar, who together own 98.6% of the outstanding stock.

Varian Associates will form a marketing & research subsidiary in Switzerland, Varian A. G., to "facilitate participation in expanding markets for its products abroad." The Palo Alto electronics firm anticipates that its 1959 overseas sales will increase 40% over the 1958 level to \$2.5 million, representing 6.5% of total sales.

Ampex has submitted an SEC registration (File 2-15816) for 137,500 common-stock shares, \$1 par value, to be offered to officers & employees under the company's restricted stock-option plan.

Allied Artists, for the quarter ended Sept. 26, reports net income of \$652,600 (72¢ a share) vs. \$120,200 (12¢) in the same 1958 period.

Auxiliary Services

SAG's View of Pay TV: Screen Actors Guild, long an ardent proponent of pay TV in the belief it would provide jobs for its members, doubts that "we will for some time see pictures made exclusively for pay TV," SAG national exec. secy. John L. Dales told members last week. He added that while SAG intends to maintain the bargaining right to open its contracts for negotiation of new formulas & conditions, it has no plans to make pay-TV demands in the near future. "Too precipitate action can delay the medium," said Dales. "The cart would be before the horse if we attempted to lay down new rules, regulations and wage payment formulas in advance of the industry, just because we have an open contract negotiation date . . . None of us knows exactly where pay TV is going. But it is casting a very pretty shadow."

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Canada

CANADIAN TV—WHAT IT IS, and why—evolved from our discussions with top govt. & industry officials, as era of competition is about to begin (pp. 1, 4, 11).

FCC

FCC'S DEEP PROBE OF PROGRAMS & powers starts with Dec. 7 hearing. Parties asked for ideas about "inimical" practices and Commission's "guidance" role (p. 2).

SECRET ALLOCATION UPHeld by Court of Appeals, which rejects aviation industry protests against FCC assignments of non-broadcast bands to military (p. 14).

FCC STUDIES CATV "AD HOC" committee suggestion. Cowgill meets with small-town TV disputants in Denver Nov. 23. NCTA group meets with Doerfer (p. 15).

Stations

McGANNON URGES SELF-REGULATION to forestall govt. legislation (pp. 3 & 8).

TV MEN BITE PRESS DOG with a round of counterblasts at amateur criticism of the medium & hysterical treatment in print of quiz scandals (p. 7).

TVB FIFTH ANNIVERSARY meeting hears warnings from Doerfer, Clipp and Cash (p. 8).

Networks

NETWORK EDITORIAL CONTROL tightened as CBS-TV exec. vp James T. Aubrey Jr. announces a new set of ground rules for programming and a new office at CBS to carry them out (p. 3 & 9).

Manufacturing & Distribution

FM BOOMLET BECOMING BOOM: Estimated 1959 retail sales of FM sets, combinations & tuners total close to 1.5 million units. Good sales in all price ranges (p. 18).

"SOCKET ANTENNA" CLAIMS rapped by National Better Business Bureau in bulletin reporting experts' findings that "house wiring is not an effective TV antenna" (p. 20).

Congress

ULTIMATUMS FROM MAGNUSON warn TV & radio, FCC, FTC to cure quiz & other industry ills by Jan.—or he'll "move immediately" with legislation (p. 5).

Film & Tape

CANADIAN TELEFILM UPSURGE is seen in the wake of "55% Canadian" quota on new Canadian TV outlets. American producers are mapping a new round of co-production deals north of the border (p. 11).

NEW LOOK AT 20TH CENTURY-FOX as Levathes readies sweeping reorganization and decentralization of production chief's authority (p. 11).

Advertising

TOOTHPASTE COMMERCIALS HIT BY FTC for first time in complaint that TV ads for Colgate Dental Cream's "protective shield" are "deceptive" (p. 16).

Other Departments

AUXILIARY SERVICES (p. 15). **PERSONALS** (p. 17). **FINANCE** (p. 22). **FOREIGN** (p. 23). **ETV** (p. 24).

CANADIAN TV—WHAT IT IS, AND WHY: New TV regulations issued by Canada's FCC-like Board of Broadcast Governors last week reflect the country's continuing compromise in the dilemma of balancing its determination to retain national identity with need of foreign capital & know-how. In Ottawa last week, we discussed policies & projects with top govt. & industry officials, and both groups believe their solutions are realistic.

Beacon of Canadian TV-radio system is Sec. 10 of its year-old Broadcasting Act, which says that BBG's job is to provide regulations encouraging "a varied & comprehensive broadcasting service of a high standard that is basically Canadian in content & character."

Even private broadcasters endorse that concept despite fact it means cost of their programs will be much higher than they would be if they could buy them from U.S. without restriction. Next year, BBG will authorize a station to private entrepreneurs in each of 8 major markets now monopolized by a govt.-owned Canadian Bcstg. Corp. outlet or one of CBC's privately-owned affiliates. However, the new stations will be denied the lifeline of full, live network service from either govt.-owned Canadian Bcstg. Corp. or U.S. networks.

"Private broadcasters aren't cowed by the govt." BBG Chmm. Dr. Andrew Stewart told us. "Canadian broadcasters are Canadians. They have the same objectives which are implicit in the Broadcasting Act."

Private operators' spokesman T. J. (Jim) Allard, exec. vp of Canadian Assn. of Bcstrs., put it this way: "There's a growing wave of nationalism in Canada today. It's the key factor in Canadian affairs." He then gave a timely example of it in action among Canadian broadcasters. U.S.'s Radio Advertising Bureau, seeking to promote radio business and solicit members north of the border, last week announced plans to hold sales clinics in Canada.

Hackles of CAB members rose immediately. Said Allard: "It's just as if I called you up and announced that I'd be over for dinner tonight—and told you to serve roast beef." NAB & U.S. networks on other hand, Allard said, have been circumspect, "very effective ambassadors," always waiting to be invited before offering anything. "Canadians want to continue watching & listening to U.S. TV & radio," he said, "but undoubtedly in decreasing amounts in the next 20 years."

Although Americans & other non-Canadians are permitted to own up to 25% in each of the 8 new stations, Allard doubts that many are stockholders in the still-secret applications. Though BBG members assured us they'll have open minds as they weigh non-Canadian ownership among competing applications, Allard said flatly that he believes "U.S. ownership would be a liability." He doubts that there's any U.S. money in Winnipeg, Vancouver or Montreal applications so far, says there may be some in one Toronto bid. He believes there's British capital in 2 Toronto applications, one Vancouver, one Montreal.

Recognizing programming problems of forthcoming stations, BBG has eased up on the severe "buy Canadian" concept it had proposed. Its final regulations aim to let stations use fair amount of non-Canadian material while promoting growth of domestic film-tape industry (see story, p 11). Aside from sprawling CBC's output, Canadian TV program production is mighty slim. According to CAB, only 8 half-hour series have been produced since 1953. Sales record is even worse, CAB says, reporting that the 6 largest syndicators sold 465 films in 1959—and only 2 were Canadian-produced.

BBG uses a "Canadian content" formula to insure that telecasting reflects the "Canadian way of life" concept. In its original proposals in July, BBG said "Canadian content" must be 55% of a station's schedule. It has cut that to 45%, starting April 1961, increasing to 55% April 1962. Also, "Canadian content" is defined more liberally than proposed. For example, films & tapes couldn't be so classified unless their producing companies were 75% owned by Canadians. Now, only requirement is that a company is incorporated in Canada and have Canadian citizens as majority of its board. In addition, "Canadian content" classification is given to all programs, regardless of subject matter, created by each station for transmission over its own facilities, and to all news programs.

BBG threw in a fuzzy one, though deliberately, saying that all programs "of general interest to Canadians" would pass muster. It gave as examples World Series, U.S. Presidential addresses, UN meetings. At press conference in Ottawa Nov. 18, BBG members were deluged, naturally, with questions about other possibilities—Hollywood Academy Awards, American beauty contests with Canadian entrants, speeches by U.S. citizens below Presidential rank, etc. Basically, said BBG member Carlyle Allison, experience will produce a "book of common law" on the subject. Dr. Stewart told us later with a smile: "We can't try to anticipate the operators' ingenuity on that one."

No quiz-rigging has been discovered in Canada, but BBG's reaction to U.S. problems is dramatic evidence of the difference between philosophies of the 2 countries. BBG simply announced: "No station or network shall broadcast any contest or program purporting to be a contest, the results of which are known in advance of, or are known to have been determined in advance of such contest or program." And that's it.

You may want to study their regulations—they run all of 9 pages—which are accompanied by an explanatory document. Copies are available from BBG, Transportation Bldg., Ottawa, Ont. BBG also plans to re-examine radio regulations. (For more detail on Canadian TV plans & operations, see p. 4.)

FCC's DEEP PROBE OF PROGRAMS & POWERS: FCC intends to reach bedrock as it explores TV-radio programming and its own powers in field of programming (Vol. 15:46 pl). Last week, it set Dec. 7 for its first hearing, threw area wide open for any-&-all to speak up on 5 broad subjects. Parties planning to appear were asked to submit by Nov. 25 documents giving "in general, the nature & extent of the comments, suggestions, information and data they wish to present."

FCC has no intention of "re-trying" quiz-rigging case or going into an evidentiary hearing on payola in this proceeding. However, it plans to become specific on payola sooner or later because it seems to have little doubt that the practice is direct violation of Communications Act provision re sponsor identification.

Though it hasn't been announced, it's understood that Broadcast Bureau chief Harold Cowgill is taking charge of staff work, has selected committee of 4 top men to advise him: Attorneys Ashbrook Bryant, Joseph Nelson & Louis Stephens, economist Hyman Goldin. If other FCC business is delayed as result of concentration on inquiry, Commission won't be disturbed because the study is "Project No. 1."

If enough witnesses appear, Commission stands ready to devote almost all its time listening to them between Dec. 7 & Christmas. In addition to its public notice of the hearing, it's expected that Commission will call attention of specific organizations to the proceedings, inviting written or oral comments, or both. It's assumed these would include prominent individuals and group spokesmen who have made public statements on quizzes and the state of TV—religious, educational & civic leaders, members of Congress, PTA's, columnists, et al. Here's what Commission wants to learn during the hearing:

"(1) Whether & the extent to which policies & practices being pursued by some broadcast licensees in the field of programming & advertising are inimical to the public interest.

"(2) Whether & the extent to which the general standards heretofore laid down by the Commission for the guidance of broadcast licensees in the selection & broadcast of programs & other material to the public are adequate in view of the changed & changing conditions in the broadcast industry.

"(3) Whether & the extent to which FCC should, by the exercise of its rule-making power, set out more detailed & precise standards for the guidance of broadcasters in the exercise of their responsibility.

"(4) Whether & the extent to which the Commission's present policies & procedures in the review & consideration of the performance of its broadcast licenses in the field of programming & advertising is adequate, in view of the greatly increased number of such licensees; and

"(5) Whether the Commission's authority under the Communications Act of 1934, as amended, is adequate for these purposes or whether legislation should be recommended to the Congress."

"If legislation is needed & Constitutionally permissible you may rest assured the FCC will recommend it to the Congress," Chmn. Doerfer later told TvB's annual meeting in Chicago (see p. 8). He said that when FCC's investigation is over—"and we will hurry it along as quickly as possible"—it probably won't be enough for FCC just to come up with "pious affirmations of responsibility by a licensee."

SELF-REGULATION OR GOVT. REGULATION: That's the choice TV faces amidst continuing crises & Congressional attacks, NAB TV Code Review Board Chmn. Donald McGannon told 271 subscriber stations last week via closed circuit on the 3 networks. "Either we do or it's going to be done for us," said McGannon forcefully. The Code Board, meeting in Los Angeles, wouldn't talk about amendments it proposed behind closed doors until member stations received those proposals, but it's understood they would (1) ban rigged quiz shows; (2) crack down on deceitful or offensive commercials; and (3) deal with aspects of interview shows. The Board moved into the last-mentioned area out of regard to Frank Stanton and his stature in the industry. There was sentiment against "pushing the panic button," but the majority prevailed.

Only hours before McGannon's talk, he had received a letter from Sen. Magnuson (D. Wash.), chmn. of the Senate Interstate & Foreign Commerce Committee, sharply questioning whether the code was adequate to meet the problem of rigged quiz shows. Magnuson wanted to know how the industry could regulate those stations which aren't code members. Essence of McGannon's reply to Magnuson: "The code will work." The industry was on the spot, yet a large segment of it wasn't even paying lip service to the code (see p. 8).

NETWORK EDITORIAL CONTROL: Last week CBS-TV entered a delicate area—more control by the network over program content of packaged shows as well as house-produced attractions. Prime mover in new tightening of network authority at CBS-TV is exec. vp James T. Aubrey Jr. New edicts were detailed to network staff in a Nov. 17 memo that minced no words (see page 9).

Watchdog of new CBS policies will be Joseph H. Ream, veteran attorney & the network's Washington vp, named by Aubrey to brand-new post of vp in charge of program practices. Reporting to Ream will be CBS-TV editing dept. (continuity acceptance), under the direction of Herbert A. Carlborg. To replace Ream in Washington, CBS has appointed as vp Edmund C. Bunker.

No British "magazine concept" of total program control, with advertisers merely spot buyers at network level, is envisioned by CBS, we're told. Move, however, goes a long way toward giving CBS a firm voice in dictating better all-program balance, and how all CBS programs will operate.

Similar tightening is being explored at NBC-TV, which has been quietly looking for a way to ease out the Gillette-sponsored Friday Night Fights series. NBC is playing it cautiously, but did admit last week it was "reviewing" the Fri. sports series (whose image & ratings, NBC privately feels, have suffered as result of charges of gangsterism in the fight business) on "an amicable basis" with the sponsor, even though it's one of the oldest sponsored shows on NBC-TV.

FCC is in peculiar position as by-product of these moves. In recent months, the Commission has probed network program control over option time and proposed to reduce it somewhat. Now, fully in agreement that tighter program controls are necessary in wake of quiz scandals, FCC must determine whether such control is best achieved by more, not less, editorial power in hands of network.

Canada

More about

THE CANADIAN PICTURE: Money, in Canada as elsewhere, is difficult to track down. In Ottawa last week, we found it impossible to determine which U.S. & other non-Canadian interests are seeking or will seek to take advantage of the 25% ownership in the 8 new major-city, privately-owned TV stations to be authorized in the next few months (Vol. 15:31 p1) The interests will be disclosed, however, as the Broadcast Board of Governors conducts its public hearings in the respective cities, starting on the following dates: Winnipeg Jan. 13, Vancouver Jan. 18, Montreal March 7, Toronto March 14, Edmonton & Calgary May 9, Halifax June 20.

Deadline for applications has passed only for Winnipeg & Vancouver, and the names of applicants for those cities have been released: Winnipeg—Perimeter TV Bcstrs. Ltd., 228 Notre Dame Ave; Joseph Harris, "on behalf of a company to be incorporated," 294 Portage Ave; R.S. Misener & Associates, for a "to be incorporated" organization, Grain Exchange Bldg. Vancouver—British Columbia TV Bestg. Corp. Ltd., 1204 Strand Bldg.; Pacific TV Co. Ltd., 355 Burrard St; Allen M. McGavin, for a "to be incorporated" group, 2091 W. Broadway; Vantel Bestg. Co. Ltd., 1219 Richards St.; Metropolitan TV Ltd., 1292 W. Georgia St. Stockholders of none have been disclosed by the govt.

Deadlines for applications in the other cities are: Montreal Nov. 30; Toronto Dec. 31, Edmonton & Calgary Feb. 29, Halifax & Ottawa March 31.

There's no question that a gold rush is on, perhaps even more intense than that which followed the U.S. freeze ending in 1952. In Ottawa, there were rumors of 30-50 applications in preparation for Toronto, but the general belief is that the showdown will produce far fewer—but still probably more than any U.S. hearing has produced.

It would take FCC half a decade to pick the winner from so many applicants—but the BBG has a secret weapon: no cross-examination by competing attorneys. Lawyers may help applicants present their cases, but only BBG members & their counsel may ask questions.

BBG has shown its speed elsewhere. For its vital new regulations governing TV (see p. 1), it issued a mere 4-page proposal July 28, held hearings Nov. 2 & 3, came up with a final decision Nov. 18. BBG also has the advantages of youth (being only a year old) and of having broad discretion in making its own rules. Its Broadcasting Act is only 15 pages long.

There's no doubt that private stations will make money fairly fast—in the big cities at least. Though there is now no more than one station in any Canadian city, except those with one English- & one French-language, about 60%

of the Canadian population can & does watch U.S. stations much of the time. But the new Canadian stations will provide the first local competition.

J. Alphonse Quimet (pronounced we met), pres. of the govt.-owned Canadian Bestg. Corp. which operates most major-city stations now, tells us he has no doubt that the new stations will bring in new money but he's also sure they'll cut into CBC revenues, too. However, it's up to Parliament, he says, to decide how much to subsidize CBC.

CBC's finances are an open book. In the year ended March 31, it took in \$33,194,522, spent \$87,314,553, the govt. made up the difference. In the preceding year, it had revenues of \$29,390,035, expenses of \$73,258,972.

Private broadcasters' finances are a secret. The govt. doesn't even give out a lumped figure although it has them. However, people who know, such as BBG counsel William Pearson, assure us that private telecasters make out very nicely after the first few years of operation. "Even in towns of 25,000 to 30,000, they make a profit," he said. Quimet adds that many small stations would never even start without CBC's heavy feed of programming & payments for sponsored programs. "Look at Dawson Creek & Kamloops, he said. "I think we have stations in even smaller communities than you do in the U.S."

* * *

Canada has an approach to broadcasting economics totally different from that of the U.S. It won't authorize a station unless it thinks it can make good financially. FCC authorizes all that the technicalities will allow and lets the devil take the hindmost.

The Canadian govt.'s economic guesses have been conservative, obviously. Only one or 2 radio stations have gone under in the last 10 years, according to F. G. Nixon, telecommunications dir. of the Dept. of Transport, the govt.'s engineering & clerical arm for broadcasting.

The Canadian regulatory scheme isn't well understood, even by many Canadians. The BBG is now top dog. It sets programming & commercial policy and determines who shall operate stations. CBC had BBG's powers besides operating a network & stations. Now it's an operator only.

CBC is govt.-owned, reports to BBG and Parliament, but its employes aren't civil servants. It's supported by govt. grants & advertising. The public pays no license fee.

BBG is a 15-member (2 women) body. Three members are full time: Chmn. Dr. Andrew Stewart (\$20,000 a year), Vice Chmn. Roger Duhamel (\$18,000), Carlyle Allison (\$17,000). The rest get \$100 a day & expenses when they attend meetings—a minimum of 6 annually.

Dr. Stewart is an economist & the former pres. of U. of Alberta. Duhamel & Allison are former newspaper editors, *Montreal La Patrie* and *Winnipeg Tribune*, respectively. BBG members currently outnumber their staff of 12, which is being built to a maximum of 28 under energetic

young secy. William D. Mills. (For other BBG members, see page 489, TV FACTBOOK No. 29.)

Allison foresees the new stations: (1) Providing a choice of Canadian stations for the first time. (2) Giving "more exposure to the Canadian way of life." (3) Giving smaller advertisers a break. (4) Encouraging more national advertising.

"The local radio & newspapers are worried," he said, "but I think the new stations will produce more advertising for all in the long run." Talk of a new network among the new stations is vague at the moment, he said, but he expects plenty of video-tape exchanges initially.

As for his reaction to the U.S. quiz scandals, Allison said he can see how the intense competition could contribute to the problem. He was particularly "horrified," he said, by the way comedians such as Bob Hope "spoofed such a serious matter."

CBC chief Ouimet is cheerful about the competition for audience & business to come from the new stations. "After all," he said, "CBC recommended several years ago that second stations be authorized." He also stands ready, if Parliament gives its decision & the money, to start a second network service for the new stations, which aren't permitted to affiliate with U.S. networks.

He's proud of CBC's achievement, noting for example that CBC produces more programs for 2 networks (English & French) than Britain's BBC or ITA and the French TV system. Ouimet doesn't believe that the formation of BBG will alter Canadian TV's course noticeably. BBG was established, he noted, because private broadcasters objected to the fact that CBC has been both its regulator & its competitor—"both judge & jury." Only time will tell, he said, whether private broadcasters find BBG a tougher regulator than CBC was.

Ouimet is serious about Parliament's mandate that Canadian broadcasting be "basically Canadian in content & character." "We don't want to be insular," he said, "but the factor is very important. No one in Canada—very few people at any rate—question the fact that we should stress the 'made in Canada' aspect of physical & material things, but I think it's even more important in things of the mind."

* * *

The U.S. quiz scandals give CBC no problem, he said, simply because CBC didn't carry the shows—rejecting them as an unsatisfactory type of program. Such problems are far less likely to occur in Canada, he said, because: "We produce our own programs and therefore have better control. The advertiser has no control at all over program content. For example, our main drama program may be sponsored one year, unsponsored the next. That's all right with us. We still produce it."

Ouimet is pleased to see FTC taking a sharper look at U.S. commercials. "Whatever improvements occur in the U.S. are good for us. For example, Canadian subsidiaries of U.S. companies frequently complain when we reject their commercials, pointing out that the U.S. networks accept them. This exerts pressure on us."

Grateful to U.S., too, for its TV pioneering, engineer Ouimet said: "We've taken the best of U.S. developments in engineering & programming and we're glad to have them." He's also wistful about the loss of topflight Canadian performing & producing talent to U.S. & Britain—"We can't pay anyone \$100,000."

Dept. of Transport engineers, like their FCC counterparts, trying to squeeze the most out of the 12 vhf channels, are also disappointed by uhf's failures. Canada has no uhf stations, only a couple of low-powered translators.

DOT's F. G. Nixon, dir of communications, said that the proposed allocations changes (Vol. 15:43 p5), which would permit drop-ins via mileage-power-height cuts, are now being considered by the Canadian Radio Technical Planning Board, which includes representatives from all branches of industry. "So far," he said, "the broadcasters like the look of it, but they want to give it much more study." As in the U.S., the vhf channels are largely taken up by operating stations, and more stations can be provided only by changing standards.

Illegal boosters? "We have none," said Nixon. "When we hear of one, the Mounties go in and seize it—and that's it. That's quite a deterrent. If a booster operator comes in with a first-rate piece of equipment, we'll license him."

CATV is no problem. CATV operator pays a \$25 license, and the govt. requires only that he neither "mutilate the signal nor radiate excessively."

Congress

ULTIMATUMS FROM MAGNUSON: Breaking an unaccustomed silence he had kept since rival House investigators took over TV quiz scandals & headlines last month (Vol. 15:40-46), Senate Commerce Committee Chmn. Magnuson (D-Wash.) charged out of his corner last week, swinging hard at broadcasters, FCC & FTC.

Long a stern critic of TV-radio & FCC practices, Magnuson opened up again Nov. 16 by challenging NAB's TV Code Review Board at its Los Angeles meeting to clean up or shut up (see p. 8). He announced he was calling "the industry" and FCC & FTC on to his Washington office carpet for a show-down early in Jan. Then he fired heavy broadsides at all hands in a speech to the Wash. State Assn. of Bestrs. at a meeting preceding NAB's concluding fall regional conference Nov. 19-20 in Seattle.

"The TV scandals have shocked us all," Magnuson said at the outset of his Seattle speech, in which he related how he had initiated the TV quiz probe, then stepped aside to let House Commerce Chmn. Harris (D-Ark.) carry on.

He wound up with a threat to push legislative correctives for TV's recently-exposed ills if they aren't cured promptly: "I repeat that I propose to call a meeting of the Federal Communications Commission, the Federal Trade Commission and the industry immediately after Congress convenes—with an eye toward examining the procedures that have been adopted that would be effective self-regulation. I have faith in your ability to self-police your industry. But I will move immediately with legislation if your action is meaningless or ineffective."

In his speech Magnuson rang such alarms as these:

On quizzes: "The size & extent of the fraud & deception was staggering. The 'get-rich-schemes' that formed the quicksand foundation of these shows corrupted many and deceived millions. The demands for action to prevent a recurrence of this tawdry situation are loud & clear. Necessarily steps must & will be taken to avoid such happenings in the future."

On the TV code: "I was hopeful that the TV industry—through its TV code—could handle the kind of question that was raised in the rigged quiz shows on the basic & fundamental premise of honesty of presentation. It is obvious that the code has proven to be ineffective, because no action has been scheduled."

On FCC: "I want to commend the FCC [for finally] expanding its so-called radio & TV network broadcasting investigation to include the policies & practices being pur-

sued by some broadcast licensees in the field of programming & advertising that may be inimical to the public interest [see p. 2]. Frankly, I am totally surprised about the slowness of the Commission in moving into this field. There is no excuse. It has sufficient authority if it will only exercise it."

On FTC: "I was amazed at the statement of its Chmn. Earl Kintner concerning the expansion of its monitoring operations and its crackdown on misleading & fraudulent broadcasting ads (Vol. 15:44 p12) . . . He will note that [in 1956] I urged the FTC to move . . . If something is missing, I want to know why and I propose to find out."

And for TV & radio operators in his immediate audience, Magnuson had this lecture: "That there have been abuses is to put it mildly. The first thing you must do as broadcasters is to take inventory of your own operations. There is no man or woman in this room even slightly experienced in broadcasting who does not know a quality program from a bad program and who cannot distinguish between a good ad & a misleading or fraudulent ad.

Sen. Case (R-N.J.), a Commerce Committee member, also said he was "shocked & distressed" by the quiz disclosures. "We know that some major reforms must take place," he told an audience in West Orange, N.J.

* * *

Earlier last week, the Senate Commerce Committee broke into the news of the quiz scandals and their aftermaths with published reports that Sen. Monroney (D-Okla.), another member, was readying hearings on "rigged" TV ratings. The stories developed in the newspapers after MBS Pres. Robert E. Hurleigh made a speech to Washington's Sales Executive Club. Subsequent statements from Monroney's office did not support them.

Hurleigh, whose radio network has been having troubles of its own, said that the Senate committee "has amassed a great amount of information about possible [TV] broadcast circulation misrepresentations." Committee sources told us that it has accumulated a mass of information about rating methods since Monroney held one-man hearings on them in 1958 (Vol. 14:24 et seq.)—but that neither Monroney nor any other member of the committee has alleged that ratings are "rigged."

"At the basis of all the shenanigans [in the quizzes] is the mumbo-jumbo of ratings," Monroney said. "They are inadequate but not necessarily inaccurate." He later repeated that he had found no evidence of "rigged" ratings. Monroney still wants to resume his hearings on how ratings influence TV programming but, as of last week's end, none had been scheduled.

Meanwhile, the House Commerce legislative oversight subcommittee's staff was beating the bushes around stations in Philadelphia, Chicago, Los Angeles, Boston, Detroit, Milwaukee and Miami—as starters—for likely payola witnesses for the next phase of its hearings, which may start next month (Vol. 15:46 p8).

"Reports are coming in from all over the place," said subcommittee counsel Robert W. Lishman, reporting that his staffers were concentrating on specific payola clues rather than "letters complaining about the nature of programs and that sort of thing."

ABC-TV, which had escaped direct involvement in network quiz disclosures because it has never carried big-money shows, was touched by the payola investigation. Oversight staffers interviewed ABC-TV's headliner Dick Clark about his practices on *American Bandstand*, which is produced by Triangle's WFIL-TV Philadelphia, *The Dick Clark Show* and *World of Talent*.

Teen-age favorite Clark quit 3 music publishing firms in which he has had interests after ABC announced a newly-formulated policy "whereby performers & others who select to play records will be required to divest themselves of all interests in recording, music-publishing and allied fields." Producer Anthony Mamarella of *Bandstand*, who has an interest in a Philadelphia record firm, resigned when he was given this ultimatum from the network.

As for Clark, ABC said in a statement that the network is "satisfied that ABC has been apprised of all pertinent details relating to the various Dick Clark programs and his related activities. We have concluded our investigation with renewed faith in Dick Clark's integrity."

* * *

The House subcommittee's quiz-&-payola pot was kept boiling at the same time by:

News-conference predictions by Attorney Gen. William P. Rogers that "some prosecutions might result" from Justice Dept.'s own quiz probe. He said Sec. 1343 of the U.S. Criminal Code which forbids use of interstate communications in "any scheme or artifice to defraud" (such as bait & switch advertising) might be invoked. (Actually, it's understood that Rogers' intentions are much firmer than his words implied, that he's going all-out in pretty grim fashion, leading to presentations to a grand jury soon. In Washington, however, attorneys wondered about the strength of Rogers' legal legs if he stands on Sec. 1343. Many doubt that the law covers quiz-rigging.)

A statement by oversighter Rep. Bennett (R-Mich.) that it is "deceptive" for any disc jockey to have any financial stake in record or music publishing firms.

Partisan arguments in the Nov. *Democratic Digest* that President Eisenhower, who has called the quiz scandals "terrible," appeared on "rigged" campaign shows in 1952 & 1956.

A blast at CBS-TV by the Women's Christian Temperance Union for "featuring murder, gun fights & violence" on its shows, and denunciation of TV in general by exec. vp Dr. Truman B. Douglas of the Home Missions Board of Congregational Christian Churches.

A suggestion by Democratic Gov. Robert B. Meyner of N.J. that TV fix practices should be blamed on the Eisenhower Administration for its "mediocre appointments" to such regulatory agencies as FCC & FTC. He told the Young Democrats national convention in Toledo that a bad example of such appointments was FCC's "bumbling, myopic John C. Doerfer."

A spot check of disc jockeys across the country by UPI, which found that many had heard of payola but that most thought it must be practiced in other cities—not in their own territories.

* * *

A N.Y. payola probe was also running in high gear. DA Frank S. Hogan, who has been matching the Washington TV investigations almost play for play, last week subpoenaed books & financial records of 11 recording companies (mostly in the rock-&-roll field, with no majors such as Capitol or RCA Victor involved) as "an exploratory move" to determine if commercial bribery is involved in persuading disc jockeys to play new records. Also in N.Y., the 12,000-word Grand Jury report on quiz shows—the report largely responsible for starting the recent House probes—went under permanent wraps as general sessions Judge Mitchell D. Schweitzer denied the jury's request to make the report public since it lacked "the right to answer and to appeal."

TV MEN BITE PRESS DOG: Indications are mounting that the TV industry—at all levels—has just about had it as regards the bombardment of print-media criticism, cure-all proposals and general carping leveled against TV in the wake of the Washington quiz probes. Last week, the industry began to fight back on several fronts.

Dave Garroway, star of NBC-TV's early-morning *Today* series, let off steam for a full 15 min. in his Nov. 20 pre-taped telecast, counterattacking recent press blasts against the taping of his emotional comments on Charles Van Doren. "I want you to understand that except for the news portions this program is on tape," said Garroway, who went on to explain the reasons (time uniformity in all zones, guest personalities available only during the day, etc.) why his show was recorded 14½ hours before telecast. "There's been no secret about all this taping," Garroway said, adding that the move has had "every bit of publicity that our press department could give it." If the taped segment dealing with his comments on Van Doren had been edited out, said Garroway, "Could you imagine what dark meanings the papers would have ready in such an alternative? Why has Garroway been muzzled?" As a final thrust, Garroway stated, "it's time somebody exposed the unconscionable smears for what they are."

An even stronger broadside was fired Nov. 20 by NBC Chmn. Robert W. Sarnoff in one of his periodic "open letters" to TV editors. Sarnoff's target: Time Inc., which the NBC chmn. said was operating under "curious double standards" in blasting TV while drawing "millions of dollars" in TV revenue from Time-owned TV outlets which, without once protesting, have carried most of the quiz shows that have been prime expose targets.

"It's hard to escape one of 2 conclusions," said Sarnoff in a minor masterpiece of sarcasm. "Either the Time Inc. management places little credence in its magazines' stories about corruption & mediocrity in the network service, or the management embraces that same crass, unprincipled commercialism of which its magazines accuse us."

Earlier in the week, one of TV's best-known admen—McCann-Erickson senior vp C. Terence Clyne—launched a similar counterblast at a Nov. 17 RTES seminar luncheon in N.Y. that drew the largest turnout in 6 years for an RTES affair. M-E's Terry Clyne, who bosses a TV operation that amounts to 18 hrs., 25 mins. weekly of network programming, agreed that "corrective action" was necessary, that the double-spotting in station breaks represented "too many commercials," and that "extraneous plugs should be knocked out." Clyne went on to score "people on cloud 9" who attack TV without knowledge of the industry. "All of Hollywood & Broadway will produce less than 200 hours of theatrical entertainment this year," he said, "If you took the best 200 hours of TV (from a total of some 3,000 TV hours annually on networks between 7:30-10:30 P.M.) and compared them, TV would win hands down."

At the same RTES meeting, programs & talent vp David Levy of NBC-TV listed some of his network's program highlights of the previous week, then launched a barb at "some of the self-appointed & self-anointed spokesmen for the industry . . . willing to shoot everything on sight." Levy compared (as Clyne did) TV with another medium, stating that "neither are all the 12,000 books published each year good and no critic demands that they all be good—or even be read."

And across the nation, TV stations began to take to the air with some editorial comment. (See next column.)

Defense Editorial: One of the stations that are not too intimidated by the present furor to speak up for themselves & the industry is WDSU-TV New Orleans. Exec. vp & gen. mgr. Robert D. Swezey sends us the following editorial which was aired over the station as well as radio WDSU on Nov. 16.

"The other day we suggested that the television quiz show scandal is being blown up out of all proportion to the facts. Broadcasting people are ashamed of the rigged shows and they're doing something about it. But it seems to us it's ridiculous to treat the fakery on half a dozen question shows as a national disaster . . . and ridiculous to use this situation as a springboard for violent attacks on television programming in general.

"American television produces programs for the greatest mass audience in the history of the world. U.S. programs are among the most popular in Great Britain, which has both commercial and government TV systems, and all over the free world. Our three TV networks alone carry more than 10 thousand hours of programming a year—20 times the quantity of entertainment Hollywood produced for movie screens last year.

"All kinds of pressures shape television programs. One is the much-criticized rating system which, whatever its defects, is an honest attempt to find out what *most* people want to see. The overall result, in our perhaps biased opinion, is remarkably good. First, we see no reason to apologize for the basic programs that add up to good entertainment: *Wagon Train* and *Gunsmoke*, *Peter Gunn* and *Maverick*, *Perry Como*, *Steve Allen*, *Ed Sullivan*, *Dinah Shore*, *Playhouse 90* and *Sunday Showcase*.

"Second, we don't believe there has ever been a television season better than this one in terms of productions of serious works. In the past few weeks we've seen Henry James' "Turn of the Screw," Maxwell Anderson's "Winterset," George Bernard Shaw's "Misalliance," Somerset Maugham's "The Moon and Sixpence," Henrik Ibsen's "Doll House," Thornton Wilder's "Our Town." We've seen news specials by Edward R. Murrow on missiles and by David Brinkley on national politics. Locally, this station has cancelled regular evening programs to present a news special on Louisiana politics, a special panel on juvenile delinquency and a live broadcast of a local opera production.

"The quiz show scandal, it seems to us, does not erase the fact that American television is now doing an excellent job of presenting memorable & worthwhile entertainment."

That one-hour boycott of TV, proposed by syndicated Washington columnist Roscoe Drummond, was something of a bust last week, according to rating reports shown us by A. C. Nielsen and ARB. Drummond had proposed a don't-watch-TV period of 10-11 p.m. Nov. 17, as a "dramatic & forceful" means of showing sponsors, networks, etc. that the public wasn't to be trifled-with. Multi-city Arbitron figures showed a sets-in-use level of 61.1% for the time period, as compared with a 66.0 the previous week and a 60.2 the week before that. The overnight Nielsen measurement for N.Y. showed a 62.2 for the 10-11 p.m. segment, as compared with 65.7 the previous week. "Well within the normal rise & fall of sets-in-use figures for this time of year, with no significant change," is how both research firms summed up columnist Drummond's effect on TV viewing in major TV markets.

New rep: KGBT-TV (Ch. 4) Harlingen, Texas, to Venard, Rintoul & McConnell from H-R Television.

TVB HEARS WARNINGS: Members of the Television Bureau of Advertising gathered in Chicago last week to mark a 5th anniversary. Among other messages, they got the word that TV must clean its house pronto—or have it done for them. The stage was set by FCC Chmn. John C. Doerfer in a stern speech which acknowledged no FCC responsibility for the quiz fix in which TV finds itself. Doerfer warned that the industry needs a crash reform program to rescue itself.

"There are a number of observers, both in & outside of the broadcasting industry, who feel that the American system of broadcasting will come to a crisis with the resumption of the Congress in Jan. of 1960," Doerfer said. "If the industry does not successfully survive that crisis, it has no one to blame but itself."

Persistent cries of "there ought to be a law" are heard, Doerfer warned. To try to stop them—and possible govt. censorship—he said the industry should "set up its own internal controls" to: (1) Prevent "objectionable deceptions beyond acceptable dramatic license." (2) "Cull out all forms of exaggerated claims & half truths [in commercials] which assault common sense." (3) "Modify those attitudes which regard the public as so many impersonalized digits." (4) Give broadcast licensees "full control" over all programming—"including the commercials."

The "clean-house" message was soundly echoed by TvB Chmn. Roger W. Clipp (vp-gen. mgr., radio-TV div., Triangle Publications, Inc.) and TvB Pres. Norman E. Cash. Clipp urged immediate self-regulation for TV through an expanded TV Code Board with power to grant an NAB seal of approval to commercials & programs meeting a more complete set of TV standards.

He called for previewing of commercials & programs, beginning at the storyboards. The NAB seal of approval he envisions would be granted to network, local or syndicated programs or commercials, live or on film, which met code standards. "With this sort of voluntary regulation," he told TvB, "TV can have what no other medium ever has had—an industrywide testing lab and a symbol which can be a standard of acceptance to both buyers & sellers."

Cash told the Chicago meeting TV must "keep a tight rein on advertising to make certain that products are as advertised," and programming "must be designed to broaden the intellectual capacities of our people and to improve the social and economic understanding of our civilization."

Arthur C. Nielsen Sr., chmn. of A. C. Nielsen Co., normally imperturbable, refused to turn the other cheek to the current crop of post-quiz criticism of rating services, and launched an ad-lib roundhouse right at what he termed "irresponsible charges" and "astonishing statements" concerning TV research.

Nielsen Sr., departing from the text of a prepared speech, termed as "vicious & unjustified" the attacks on his own firm's rating services, based upon what he described as "complete lack of knowledge of audience measurements or even inclination to learn what our business is all about." Drawing a bead on Sen. Mike Monroney (D-Okla.), who has launched an attack on research services (see other story, p. 5), Nielsen snapped that "outspoken individuals in Congress condemn sampling in TV research and yet base important decisions on government statistics produced by these same sampling methods."

TvB's board approved a 1960 budget of \$1,050,000 and the installation of a TV-tape recorder for TvB's move to new headquarters at 1 Rockefeller Plaza in mid-1960.

More about

McGANNON URGES SELF-REGULATION: When we asked NAB TV Code Board Chmn. Donald McGannon last week in Los Angeles what was being done about those commercials labeled as deceitful & fraudulent by Washington committees & officials, he said he'd been trying to do something for 6 weeks, with no affirmative results, adding: "We are not getting cooperation from the ad agencies & sponsors involved. We cannot force them to cooperate, because they are not signatories, and because this is a voluntary code. These commercials are seen on stations & networks which have the seal, but any self-regulatory code which is voluntary is difficult to enforce."

This was probably part of the reason for McGannon's emphasis—at NAB's fall conference session (see p. 3) in Los Angeles—that the industry must comply with a strengthened code. "We have the FCC beginning hearings. The oversight committee plans hearings. So do the FTC and Sen. Magnuson. Everybody is getting into the act," he warned. He told broadcasters that the focal point is program control and insisted "you, and you alone, are the final determinate of what goes on the air."

Pointing out that the industry is in a position of "discomfiture and under pressure," McGannon outlined the Code Board campaign to offset this. He said the Board has stepped up monitoring of advertising on subscriber stations from 20,000 to 100,000 hours a year; it has increased monitoring of program content; it has opened a Hollywood office to advise telefilm producers. Stations must engage in promotion, he said, to advertise the code.

McGannon expressed concern about commercials which suggest a product is capable of doing something it can't. "Our basic decision to be made is whether we're going to do the job [of eliminating this practice] or someone else is going to do it for us. "We find the idea of government regulation repugnant." The NAB official said he had contacted non-subscriber stations, but added grimly, "There has been no meaningful response. I detect no groundswell."

McGannon said the Code Board does not think Rep. Harris (D-Ark.) and his committee, the FTC or FCC want to regulate TV any more than it is now regulated, and would do so only if the industry doesn't solve its own problems. "We must clean up our own houses. This means demonstrating by word & act, the integrity that is expected of us . . . without this, any attempt to convey an image of responsibility to the public or their governmental representatives will be a sham and rejected."

Previously, Louis Hausman, dir. of NAB's TV Information Office, had told delegates the industry must counter-attack with a campaign pointing out the good in TV—the information & public service programs, for example. He urged stations & advertisers to promote such shows. "We must reject this total indictment because of the failure in the one area," he declared, adding that TV has much to be proud of but hasn't done much to stress this.

NAB Pres. Harold Fellows earlier defended the work of NAB and asked broadcasters to show a unified front and settle their intra-Association problems internally. He urged that more stations subscribe to the NAB code and warned that the survival of TV as a free enterprise industry is at stake. Fellows admitted there has been increasing criticism of drinking scenes on TV and that NAB may amend the code to curb such scenes. NAB, he said, is investigating payola to correct a "deplorable" situation.

In Washington, the closed-circuit presentation was

viewed in WTOP-TV's Broadcast House audition room by FTC Chmn. Earl Kintner, FTC Comr. Edward C. Tait, and Senate Commerce Committee communications counsel Nicholas Zapple. Also invited to the special TV party by Westinghouse Bestg. Co.'s Washington vp Joseph E. Baudino were FCC members, who were delayed by a Commission meeting, and counsel Robert W. Lishman of the House Commerce legislative oversight subcommittee. FCC Chmn. Doerfer and his legislative asst. Paul M. McDonough arrived just as the code show ended. Lishman sent his regrets. Kintner, Tait and Zapple made no on-the-record comments, but they watched & listened closely.

Full ownership of radio WLS Chicago is being acquired by 50% owner AB-PT, which has agreed to buy the stock of 50%-owner Prairie Farmer Publishing Co. AB-PT financial vp Simon B. Siegel said that AB-PT would continue the publication of magazines owned by Prairie Farmer—*Prairie Farmer*, *Wallace's Farmer*, *Wisconsin Agriculturist*. AB-PT recently rejected a \$20-million offer, by an undisclosed organization, for its radio o&o's—WABC N.Y., WXYZ Detroit, KGO San Francisco, KQV Pittsburgh, 50% of WLS. An AB-PT spokesman said that the offer was declined because ABC is committed to maintain a radio network for public service & defense purposes and that the network losses would be too great to sustain unless offset somewhat by the profits of o&o's.

NAB's TV membership reached a total of 327 stations (among 560 on the air) last week with the addition of Midwestern Bestg. Co.'s WTOM-TV Cheboygan, Mich., bringing all Paul Bunyan Network TV & radio properties under the NAB banner. The company's WPBN-TV & WTCM Traverse City already were NAB members. Paul Bunyan radio stations joining up with the NAB to bring its AM members to 1,540 (among approximately 3,500 on the air) were WATC Gaylord, WATT Cadillac, WATZ Alpena, WMBN Petoskey. NAB membership also includes 448 FM stations (among about 650 on the air).

RCA shipped 25-kw transmitter Nov. 18 to KSWO-TV (Ch. 7) Lawton, Okla., planning boost to 316-kw at new site near Grandfield, Okla.; 10-kw transmitter Nov. 13 to educational WTHS-TV (Ch. 2) Miami, Fla., planning boost to 100-kw after move to Hollywood, Fla.; also a monochrome TV tape recorder to WTVR Richmond and to the Washington Procurement Office, Berryville, Va.

Sale of KOVR (Ch. 13) Stockton-Sacramento, Cal. to Metropolitan Bestg. Co. for more than \$3.5 million by Gannett newspapers was completed last week, subject to FCC approval. Just 4 weeks ago (Vol. 15:43), Metropolitan announced the purchase of radio WIP Philadelphia and uhf WTVH Peoria.

Facility changes: WGAN-TV (Ch. 13) Portland, Me. began programming Oct. 30 using 1619-ft. tower on Brown Hill, Raymond, Me., currently world's tallest tower. KFVS-TV (Ch. 12) Cape Girardeau, Mo. Oct. 20 began construction of 1676-ft. Dresser-Ideco tower, 8.5 miles N of town. KMMT (Ch. 6) Austin, Minn. Nov. 1 boosted to 100-kw.

As if the TV quiz-scandal was not getting enough front-page publicity these days, when an entirely different kind of 7-day wonder comes along—the finding of \$10-million worth of great Renaissance paintings—they turn up under the bed of—natch—a TV repairman.

Radio KGIL Los Angeles was sold for \$800,000 last week by Pierce Brooks Bestg. to Richard D. Buckley & John B. Jaeger, owners of WHIM, Providence, R.I.

Networks

More about

CBS TIGHTENS CONTROLS: To make CBS-TV programs "exactly what they purport to be," a new set of ground rules was issued Nov. 17 by exec. vp James T. Aubrey in the form of a 4-page memo that touched on topics ranging from contests to the proper introduction of a pre-taped show.

Aubrey made clear that there would be no witch hunts in the realm of "artifices used in programs which are clearly fiction." Theatrical conventions are so solidly planted in the minds of the viewers that no problem of deceit or misconception is involved.

Although no signs would be flashed that bullets in Westerns are really blanks or that many a heroine's dazzling smile was really a triumph of cosmetic dentistry, other program areas have to toe the mark under the new CBS rules. Samples:

Games & Contests: Big-money game or quiz shows are barred. All other game or panel shows "are to be conducted in all respects in precisely the manner in which they purport to be conducted . . . any element of preparation must be disclosed." The manner of selecting contestants from the audience must be disclosed.

Interviews & discussions: Anything other than "rehearsal of physical position & movement on camera" in the way of advance preparation must be announced, particularly "questions . . . supplied in advance to the person being interviewed," or where "the area or nature of the interview is . . . delineated." Pre-recorded interviews used in connection with special-event shows must be identified.

Recorded shows: If a show is totally or partially recorded in advance, "whether on film or tape," announcement of that fact must be made at the start or end of a show. Lip-sync (mouthing silently to a pre-recorded sound track) must be tagged as such, and the phrase "live on tape" is now taboo.

Artificial laughter: In this area—thanks largely to the outraged howl that went up from comedy producers that they couldn't produce filmed comedy without canned yaks from an unseen screening-room audience—something of a compromise was made. When artificial laughter or applause is used, "that fact must be clearly disclosed," said Aubrey, who didn't rule it out completely as CBS Inc. Pres. Dr. Frank Stanton had reportedly done a few weeks before.

Network watchdogs: All CBS personnel concerned have to face the responsibility for carrying out the new orders, Aubrey stated, but added that "a new office will be created" within CBS-TV (See p. 3) to act as the implementation arm of the new rules, and "to formulate & recommend additional rules."

* * *

NBC dislikes Fri. boxing bouts, sponsored by Gillette, for 3 reasons, we learned reliably last week:

(1) Ratings are weak. In the latest national Nielsen reports, the bouts pulled a 13.9 Nielsen average audience level against ratings like 19.4 for *Twilight Zone* on CBS-TV, and an 18.3 for *Detectives* on ABC-TV. (2) Public "image" surrounding boxing today has been clouded by recent charges of fight-business gangsterism, and some of it may rub off. (3) NBC's profit margin on the fights is slim, since production problems are many. NBC would like to dump the series, but since the package is actually Gillette's, the network must come up with a good reason if it drops the axe—or face legal arguments.

Network Television Billings

September 1959 and January-September 1959

(For August report, see TELEVISION DIGEST, Vol. 15:41)

Sept. Shows Sharp Gains: Network TV gross-time billings climbed still higher in Sept., netting \$48,176,459 for a 13.6% gain over Sept. 1958's \$42,417,190, and increasing the year-to-date total to \$451,013,344—10.5% ahead of total billings for Jan.-Sept. 1958. Sept. business also reversed the trend extant since April by bettering the billings of the previous month—\$48,176,459 compared with \$46,641,308 in Aug. CBS led the networks in dollar volume, racking up Sept. billings of \$21,196,220, cumulative billings of \$195,350,810. ABC scored the biggest percentage gains: 29% ahead in Sept.-over-Sept. billings, 19.8% ahead in cumulative comparisons.

NETWORK TELEVISION

	Sept. 1959	Sept. 1958	% change	Jan.-Sept. 1959	Jan.-Sept. 1958	% change
ABC	\$ 8,546,650	\$ 6,627,093	+29.0	\$ 86,566,156	\$ 72,252,184	+19.8
CBS	21,196,220	19,427,754	+ 9.1	195,350,810	181,191,831	+ 7.8
NBC	18,433,589	16,362,343	+12.7	169,096,378	154,672,625	+ 9.3
Total	\$48,176,459	\$42,417,190	+13.6	\$451,013,344	\$408,116,640	+10.5

1959 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$10,647,078	\$22,129,248	\$19,299,853	\$52,076,179
February	10,024,460	20,806,220	18,053,828	48,884,508
March	11,565,031	23,265,395	20,728,315	55,558,741
April	10,309,263	22,077,285	19,739,316	52,126,864
May	9,946,570	22,298,271	19,674,494	51,919,335
June	8,930,114	21,171,128	17,984,845	48,086,087
July	8,391,470	21,269,782	17,883,111	47,544,363
August	8,205,520	21,137,261	17,298,527	46,641,308
September	8,546,650	21,196,220	18,433,589	48,176,459

Note: Figures revised as of Nov. 11, 1959. These figures do not represent actual revenues inasmuch as the networks do not divulge their actual net-dollar incomes. The figures are compiled by Broadcast Advertisers Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on the basis of one-time network rates or before frequency or cash discounts.

Medical radio service is being launched by NBC as part of its efforts "to create new uses & techniques for radio," the network has announced. Aimed at digesting the latest medical news for the medical profession, the service will operate on FM multiplex subcarrier channels, and won't interfere with normal FM radio service provided by network radio affiliates. Program content will be a combination of background music & medical reports 12 hrs. daily 5 days a week. NBC radio project mgr. Henry T. Sjogren added that three 15-min. medical news transmissions daily will be offered for sponsorship to ethical drug houses. Projected coverage for the service is 16 markets to start, eventually to reach 70 markets that cover 90% of the U.S. medical profession. Annual subscription price to doctors for the service (including installation by RCA Service Co. of receivers, speakers etc.) will be \$120 per year.

Soviet Ban on CBS operation of a Moscow news bureau has been lifted, after a 13-month slow burn caused by the *Playhouse 90* production of "The Plot to Kill Stalin," televised Sept. 25, 1958. CBS news dir. John F. Day stated that a Moscow correspondent would be named shortly. When CBS was officially booted out of Russia, Paul Niven had been holding the post.

Another postponement of MBS's reorganization under the Bankruptcy Act was recommended in N.Y. Nov. 17 by referee Asa Herzog, who has set the next meeting for Dec. 8. Although N.Y.C.'s tax claims against Mutual were settled out of court (Vol. 15:44 p11), the city now wants the settlement paid in a lump sum. Mutual, on the other hand, hopes to arrange a long-term payment plan.

RCA wouldn't confirm or deny last week a report in Nov. 18 *Variety* that Kenneth Bilby, NBC-TV exec. vp for advertising, promotion & PR, was leaving NBC for a similar post at the parent firm, replacing vp Ewen Anderson, who has been ill. Similarly, NBC-TV spokesmen declined to comment on the Bilby report. Bilby himself, long a close friend of NBC Chmn. Robert W. Sarnoff, was vacationing in Mexico, and could not be reached. Late last week, even after the news of Bilby's transfer was published in the trade press, both NBC & RCA were still maintaining official silence. But we learned from a reliable source that the Bilby shift was definitely set, although the question of finding a replacement for his vacated post—a specialized executive slot virtually tailor-made for Bilby—was undecided, with top network officials debating whether the post should simply be left unfilled.

TV network link with Alaska will be possible in about 2 years as a result of a 1,250-mile microwave link across Canada to be constructed under a deal between Canada and the U.S. govt. The 50-hop broadband microwave, designed for telephone & other communications, will be built by RCA Victor Co. Ltd. of Montreal for Canadian National Telegraphs at a cost of \$20-\$25 million. The system will carry 2 channels, one of which will be leased by the U.S. at a rental that will cover the capital cost of both. Alaska's stations aren't expected to carry many microwaved shows because of the extremely high cost.

NETWORK SALES ACTIVITY

ABC-TV

Bronco & Sugarfoot, Tues., 7:30-8:30 p.m., 18 alt. 30-min. segs. over 36 wks.
Brown & Williamson (Ted Bates)

Restless Gun, Mon.-Sat., 12-12:30 p.m., Sat. telecast only, plus Mon.-Fri. daytime participations.
Sweets Co. (Henry Eisen)

CBS-TV

Eyewitness to History, 4 prime evening news specials covering President Eisenhower's Dec. tour. Dec. 7, 12, 20, 23.
Firestone Tire & Rubber Co. (Campbell-Ewald)

Rawhide, Fri. 7:30-8:30 p.m., one-third sponsorships alternate weeks.
Elgin Watch Co., (J. Walter Thompson)

Alfred Hitchcock Presents, Sun., 9:30-10 p.m., renewal for 52 wks.
Bristol-Myers (Young & Rubicam)

Daytime participations, pre-Christmas one-shots in 4 day-timers plus *The Lineup*, Wed., 7:30-8:30 p.m.
Shulton Inc. (Wesley Associates)

Captain Kangaroo, Mon.-Sat., 8:15-9 a.m., additional 15-min. segs.
Sweets Co. of America (Henry Eisen)

The Verdict Is Yours, Mon.-Fri., 3:30-4 p.m., renewal of alt. 15-min. segs.
Lever Bros. (Ogilvy, Benson & Mather)

NBC-TV

Ruff 'n' Reddy, & Fury, Sat., 10:30-11 p.m., renewal for 52 wks.
General Foods (Benton & Bowles)

Amahl & the Night Visitors, Dec. 24, 8:30-9:30 p.m.
Pontiac (MacManus, John & Adams)

Film & Tape

CANADIAN TELEFILM UPSURGE: A large-scale boom in co-production telefilm deals north of the U.S. border is in the making, film executives told us in N.Y. last week. Primarily it's the result of a Canadian governmental edict that 55% of programming telecast by the forthcoming new crop of TV outlets in Canada's major cities be Canadian-produced. There is no quota until April 1961 when 45% will be imposed; 55%, in April 1962. (For other Canadian TV news, see pp. 1 & 4.)

Screen Gems is one of the first to form a Canadian production subsidiary (it already has a Canadian sales branch) designed to produce TV films & tape shows eligible as "Canadian" under the new quota system. The Screen Gems offshoot will be largely Canadian-controlled & operated, but will draw on the U.S. parent's talent & production resources. An additional long-term Canadian distribution deal has also been made between Screen Gems and Sovereign Film Distributors Ltd. of Toronto.

MGM-TV, purely by chance, has had a Canadian co-production deal in the works for some time with Robert Maxwell Productions for a filmed-in-Canada 30-min. series based on the MGM feature film "National Velvet." The N.Y. office of MGM-TV tells us it's holding a firm option from Rexall on the show for U.S. telecasting, and that plans are afoot to launch the series in Canadian syndication as soon as possible.

Filmways, N.Y. commercial film firm active in the tape & film program field (it produced the *21 Beacon St.* series starring Dennis Morgan this summer) is also scouting co-production program deals to be based in such Canadian markets as Toronto & Montreal. Through a facilities-exchange deal, Filmways has link with Warner Bros. TV.

Apart from these early starters, individual producers who plan to distribute through United Artists TV and Paramount TV are also reportedly blueprinting Canadian telefilm properties, and others like CBS Films, Ziv, ITC and NTA are reported "interested" in Canadian telefilm.

The production boom is no surprise to the telefilm industry. Many of the firms mentioned above have gained considerable experience in making end-runs around film quota systems in other foreign markets (notably Great Britain, which allows only 14% of its commercial or BBC-TV film shows to be non-British in origin).

Such co-production deals generally shape up like this: The deal is basically between an American producer or producer-distributor and a foreign film studio. The American group provides the basic property (idea, scripts, etc.) actors for key roles and top production talent (director, unit mgr., film editors, etc.), and possibly partial financing. The foreign studio provides studio space, facilities, crew, local cast, and most below-the-line items. The U.S. firm holds distribution rights for America and most of the foreign market. The foreign studio distributes in the country where the show is filmed.

The advantages of such deals are obvious—provided the show manages the not-so-easy trick of maintaining an international TV appeal. A sale within the Canadian quota might produce some \$5,000 weekly for a show technically Canadian. Since it would also qualify under the British quota, a major sale there might bring another \$5,000-\$7,500 weekly. Other worldwide sales could total another \$10,000 or so weekly. This means that a 30-min. film series, with a Canadian locale but with American stars, might be sold in U.S. for \$15-20,000 weekly and still show a profit.

New Look At 20th: A sweeping reorganization of 20th Century-Fox TV is under way, with its principal feature a decentralization of authority of the post of TV production chief. After Martin Manulis leaves to produce movies for 20th-Fox, his successor will be an executive who will coordinate policy and act as liaison between 20th-Fox TV pres. Peter Levathes and the various TV production units. New executive producers will be added to the 20th TV roster, and some may be dropped. Levathes, who last week signed William Self, CBS executive, as an exec. producer, informed us he envisions 4 units, each headed by an exec. producer. Asked if exec. producers Herbert Swope Jr. and Dominick Dunne would be included in the realignment, he replied, "For the time being."

Levathes will be administrative chief not only of 20th-TV in N.Y., but of the production operation at the studio. He is remaining at the studio longer than he had planned because "it's impossible to do the job from remote positions." Levathes points out that he and 20th-Fox Pres. Spyros Skouras are busy working on plans for acquisition of TV stations, so he can't devote all his time to studio production. That's why he's seeking the liaison executive.

"I feel that with 4 different production units we can do a more efficient job," Levathes said. Buddy Adler, 20th-Fox production chief will continue to serve in an advisory capacity to TV, he added.

Production Chief? Not for TV: The movie-studio production pattern (in which a single individual—the production chief—headed all producing units) was, quite naturally, imitated by TV film. But TV now appears to be questioning the wisdom of this arrangement because of its special complexities and volume demands.

MGM-TV has already quietly taken steps away from single authority by giving Richard Maibaum, who was originally signed as production chief, the status of executive producer of a limited number of properties. Henceforth there will be more diversification of authority. Explaining the move, Loew's Inc. TV vp George Shupert said, "This is no reflection on Dick. This is too damned much work for one man. The head of a movie studio production would supervise 20 to 25 pictures a year, but in TV you turn out 7 or more hours of entertainment a week. I don't think a production chief is necessary in TV. No one man is good enough to ride herd on more than 3 or 4 properties—it's just too much work. We are therefore bringing in producers such as Jaime del Valle, Richard Bare and Collier Young. Our approach is different. We get the property we like first and then the producer."

It's no secret that Martin Manulis chafed considerably in his job as production chief at 20th-Fox TV because he felt the administrative duties kept him from creative work. Studio sources tell us Manulis's successor will be an administrator, with the creative production work left to the individual producers. (See 20th-TV story above.)

Further evidence of the heavy burden carried by a TV production chief may perhaps be illustrated by Warner Bros., where William T. Orr holds that position. When he supervised only a few series last season, the studio was most successful. But with 10 series to look after this year, Orr is having quality & rating difficulties with several.

Revue Productions, TV's No. 1 film company, may have the answer to the problem. It has administrators at the helm, with a large number of producers & creators working with the executives. This system is also pretty much that followed by Screen Gems and Four Star Films.

Operation Salvage: Because most of the new 60-min. series on TV have not fulfilled expectations this season, production companies are trying desperately to revamp formats and bring in films which will have a better viewer reception. The 60-min. boom which began as a result of the success of *Wagon Train*, *Maverick* and *77 Sunset Strip* has been deflating, and it's too early to tell whether the new salvage measures will help the series in trouble.

Warner Bros. is changing the approach on scripts for *The Alaskans* to veer away from humor and emphasize action. On their *Hawaiian Eye*, they have removed part of the titles and the end trailers, to get another 2 min.

At 20th-Fox the format of *Adventures in Paradise* has been revamped to get more South Seas quality. The weakness of the show has lain in its scripts and star, so the studio is trying to correct the scripts and has hired a drama coach for Gardner McKay. Studio production chief Buddy Adler has moved personally into the situation. Another 20th series, *5 Fingers*, has also had inferior scripts and is trying to correct this.

CBS's *The Lineup* has had several producer shakeups, with Edgar Peterson the latest producer on the show Tom Tully walked out on this series when he and Warner Anderson were relegated to lesser roles, and the revised format has failed to spark any sizeable ratings. They're still trying to solve the problems on this series.

Revue's *Riverboat* series is seeking more action, and new characters will be introduced. Warner Bros. has a new problem on its successful *77 Sunset Strip*. With Edd Byrnes refusing to work pending a contract readjustment, scripts are now omitting the popular "Kookie."

Another 60-min. series, *Desilu Playhouse*, was the first casualty of the season when Westinghouse cut back its sponsorship to alternating weeks (Vol. 15:43 p. 13).

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Five Fingers and 2 other 60-min. shows got another chance to make good last week. Concurrent with a trip by NBC-TV program vp David Levy to the West Coast to confer with producers of NBC shows whose performance has been less than expected, NBC picked up the *5 Fingers* option for a 2nd 13-wk. cycle. Sold in participation segments, *5 Fingers* is currently about 85% sold over its initial 26-wk. stretch. Also renewed by NBC-TV were 2 other 60-min film packages, *Bonanza* and *Riverboat*.

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Biggest TV tape drawbacks at stations using recorders are initial costs of the machines and "the inclination of production people to spend too much time and/or money striving for perfect takes," according to an NAB survey. NAB's advisory committee on tape usage, headed by gen. mgr. Harold P. See of KRON-TV San Francisco, queried 96 tape stations, got 63 "useful replies" to questionnaires. In them, 33 stations said the purchase price of recorders was a deterrent to their use, 28 cited the perfection problem. Cost of the tape itself and maintenance & personnel costs were lesser problems. As for tape advantages, 56% of the stations listed programming & production aid as its most important value. And 86% predicted that "typical" TV stations soon would need 2 machines. As of now, most (67%) of the 63 stations responding to the questionnaires reported they had only one machine, 35% had 2, and 9 had one or more on order. In recording their opinions on tape, NAB TV vp Thad H. Brown reported at NAB's regional conference in Los Angeles, "managers were less concerned about initial cost than the others, but the cost-saving aspect [in production] was more important to top management than to staff executives."

Producers Draft Demands: Telefilm companies—already confronted with demands for more money & residuals from the talent guilds—will soon face a wholly new set of demands—from the producers of their shows.

Television Producers Guild, the first guild ever formed as a bargaining agent for producers, has drafted a set of demands it will present to membership for ratification, and then to production companies. Producers, seeing writers, directors and actors getting a piece of the TV residual pie, want a slice, too.

Highlights of the proposals are the residuals demand, proper screen credit, and, above all, a contract. It's expected the reception from the companies will be cool, because it's always been the view of such companies that producers are a part of management, and as such should not be negotiating with management.

But producers contend that it isn't fair for actors, writers, musicians and directors to receive residuals while they don't. Producers who own their own shows are of course in a different position, but in many situations (e.g., WB) producers don't receive any participation rights, work on a straight salary basis. TPG's president is Ben Brady, producer of *Have Gun—Will Travel*.

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Alliance of TV Film Producers, claiming to represent 70% of Hollywood's telefilm companies, has changed its organization to resemble that of the movie producers' associations, and hired CBS West Coast resident attorney Richard W. Jencks as its first salaried president. Jencks resigns his CBS post effective Dec. 1. Deane F. Johnson will be the reorganized Alliance's new vp and John Zinn will be secy.-treas. The move gives the Alliance a full-time negotiator—an important need as contract talks with the talent guilds loom up. Jencks will also be in charge of the group's government & public relations.

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SAG's Record Residuals: A record total of \$4,568,375 in TV residuals was distributed to members by the Screen Actors Guild for the 12-month period ended last Oct. 31, according to SAG treas. George Chandler. The figure more than doubled the \$2,711,134 of the previous fiscal year and brought the total of residuals since 1953 to \$12,070,128.

At the Guild's annual membership meeting last week, national exec. secy. John L. Dales said upcoming contract negotiations will seek higher minimums, higher residuals, a formula for residuals on post-1948 movies sold to TV and a health, welfare and pension plan. SAG will also seek the right to reopen its contracts to cover pay TV if that medium becomes operative. Also sought will be prohibition of production companies buying out residuals of actors in advance. Present regulations allow an actor who receives double minimum or more to sell his residuals in advance. SAG will also ask a 5% employer contribution on all salaries & participations paid to actors, to underwrite the health & welfare plan. Since SAG estimates actors' total salaries now are approximately \$65 million a year, the producers would be donating \$3,250,000.

Dales also disclosed that Warner Bros., involved in recent Guild violations, has paid over \$21,000 to date in meal penalties to WB actors, with more to come. Following SAG's complaint on behalf of its members who are stars at Warner Bros. (Vol. 15:43), Warners has ordered all asst. directors to comply strictly with Guild regulations.

SAG membership is now at an all-time high of 13,403. The Guild's gross income during the year was \$655,213 and expenses \$695,834, leaving an operating deficit of \$40,621.

NEW YORK ROUNDUP

Lester Gottlieb, CBS-TV dir. of program development & planning, last week became the sixth CBS programming executive to resign this year. Gottlieb will join General Artists Corp. Dec. 1, as a TV vp. Others who've left CBS-TV this season: Hubbell Robinson Jr., exec. vp, network programs; William Dozier, vp, network programs, Hollywood; Harry Ommerle, vp for network programs; William Self, exec. producer; Tom Ryan, gen. exec.

Film Producers Assn. of N.Y., which represents most of the commercial film producers in the East, will present a panel discussion, "The Sponsors Views the Film Producer," at a special luncheon meeting Dec. 9 in N.Y. at the Columbia U. Club in N.Y. Other FPA seminars this season will cover TV commercials, videotape, films for TV & education.

Ziv's *Cisco Kid* has been renewed for 52 weeks by Dan-Dee Pretzel & Potato Chip Co., for Ohio, Pa. and W. Va. markets. *Tombstone Territory*, off-network rerun series, has been sold in 96 markets.

CBS Films has sold *I Love Lucy*, *Terrytoons*, *Mighty Mouse & Heckle & Jeckle*, in Peru & Panama. Other recent foreign sales were to Italy (*Perry Mason*, *I Love Lucy*, *20th Century*); Australia (*I Love Lucy*, *Perry Mason*, *Lineup*, *Brave Eagle*, *Woman*); Mexico (*Assignment Foreign Legion*); Japan (*Rawhide*, *Brenner*); Philippines (*Gunsmoke*, *Small World*).

David Levy, NBC-TV vp, programs & talent, proved last week he can double in creative brass. His published short story, "A Nice Guy," is being adapted for the network's *Sunday Showcase* series for March 6, 1960.

CBS-TV confirmed last week that it plans to launch a "Columbia TV Workshop" to develop professional writing, directing and performing talent through a series of private seminars and a new Sunday network dramatic series. Michael Dann, vp, network programs, N.Y., will administer the project, and producer Albert McCleery will supervise. The seminars kick off Nov. 29, the workshop series Jan. 24.

Irving R. Levine will be special NBC-TV correspondent for *Today's* coverage of President Eisenhower's 10-country trip next month . . . Mildred Gusse, new Screen Gems associate casting dir., has been assigned to Herbert B. Leonard Productions for the next 2 months . . . Herbert W. Hobler promoted to sales mgr., Videotape Productions of N.Y. . . . William Andrews named sales mgr., syndication div. of ITC.

General Motors has signed Danny Kaye in a 3-year deal to star in one 60-min. special a year. Kaye, making his TV debut (except for a special UN program), will get approximately \$600,000 a show. An MCA client, he was originally offered Ford for its *Startime* series, but that sponsor felt the price was too high for its 39-special series.

Unique transatlantic rating feat was scored this month by *Wagon Train*, when the 60-min. Revue Productions anthology Western (NBC-TV) bagged the top average-audience levels in both the U.S. & Britain. In the U.S., *Wagon Train* registered a 37.4 average-audience rating in the 2nd Nielsen Oct. report, to reach 16,421,000 homes. In a combined Oct. summary of 7 TV areas measured Nielsen-fashion by TAM in Britain, it topped other AA figures to reach 5,987,000 homes. (Percentage index figures aren't used by TAM.)

HOLLYWOOD ROUNDUP

Ty (*Bronco*) Hardin is the latest Warner Bros. TV contract star to rebel against his contract. He seeks a raise and the right to retain money received for his personal appearances. Hardin wants his present \$400 a week hiked to \$600, but WB has refused his demands, and as of last week it did not appear that Hardin would walk out on his series, as did Edd (*77 Sunset Strip*) Byrnes. Negotiations between the latter's agents and WB have reached an impasse on the issue of public-appearances revenue. Warner agreed to a 50-50 split, but Byrnes seeks 75-25. WB also asks a 2-year extension on Byrnes' contract. Byrnes is now on layoff, although some studio sources confess they are mystified that he wasn't placed on suspension, as is normally the case when a player won't work. Still another WB contract player, Hardin's wife, Andra Martin, who works in movies and TV at about \$200 weekly, says she too will demand a better deal from the studio.

Writers Guild of America's contract with the major movie studios expired last week, but despite an employer statement that negotiations have collapsed, the Guild will allow its members to work without contracts. Although the WGA membership had authorized a strike, the Guild informed its members last week that "It is our considered judgment that the strategic benefits to be gained by this policy far outweigh any possible disadvantage involved in working for a limited time without a contract." WGA will continue to seek a negotiated settlement despite the impasse over the question of post-1948 movies sold to TV. The producers refuse to concede on this key point.

ESW Enterprises (owned by Barbara Stanwyck, Louis Edelman and William Wright) has completed 2 pilots: *Big Jake*, a detective series starring Andy Devine, and *Call Me Annie*, a situation comedy-drama starring Peggy Cass.

Desilu Productions is developing a new situation comedy series for Marie Wilson, tentatively called *The Marie Wilson Show*. Cy Howard is in charge of the project. Desilu produced an earlier Wilson pilot that didn't sell.

Spartan Productions is preparing a half-hour private eye series, *The Boston Terrier*, as a stablemate for its *Peter Gunn* . . . Newest 20th-Fox TV property is *Hong Kong Story*, which the studio will produce as a pilot for ABC . . . Meridian Productions is no longer producing *The Troubleshooters* for United Artists TV. Frank P. Rosenberg continues as producer, for UA-TV, not Meridian . . . Desilu Productions has named Allen Klein resident counsel . . . Tandem Productions has signed Marion Rees as associate producer.

Valiant Films has been formed to take over Hal Roach Distribution Corp. Valiant has invested \$250,000 in operating capital and has committed \$500,000 to the acquisition of new film product, primarily for theatrical release. Heading the operation as pres. is Fred Schwartz who also headed Distributors Corp. of America, which had assigned all distribution assets to HRD. Valiant will have no connection with Scranton Corp., bankrupt partner of HRD.

Vanoff & Sargent has been formed as a new packaging firm by producer Nick Vanoff and writer Herb Sargent to create & produce live musical specials for TV. Vanoff & Sargent wrote, produced & staged NBC-TV's Nov. 13 "Music from Shubert Alley." . . . Alvin E. Unger has been named vp in charge of syndication for ITC.

The FCC

FCC COOL TO ABA BILL: Legislative proposals by the American Bar Assn. to ban backdoor approaches to federal administrative agencies got a skeptical going-over from FCC last week.

Appearing as the lead-off witness for the agencies in the 2nd round of "influence" hearings by the Senate Judiciary administrative practice & procedure subcommittee (Vol. 15:44 p9), FCC Chmn. Doerfer said the ABA's bill (S-2374) had commendable purposes but faulty language.

Doerfer (who had first begged off testifying because of earlier commitments) assured the subcommittee that FCC "is in complete accord with the general objectives of the bill," which provides criminal penalties for ex-parte contacts with agencies in attempts to influence decisions.

"It believes firmly in the principle that adjudicatory proceedings, as defined in the Administrative Procedure Act, must be decided solely & exclusively on the basis of the issues, evidence, and contentions of record in the proceedings," Doerfer said, speaking for the Commission.

Then Doerfer ticked off FCC objections to the sweeping ABA legislation, which would apply to members of Congress who make telephone calls in behalf of constituents as well as to behind-the-scenes lobbyists for clients in cases. Arguing that the ABA measure, as written, would force FCC "to restrict the sources of information or data" in rule-making, he said:

"The Commission, therefore, does not feel that it is practical or in the public interest to decide the many legislative-type proceedings that come before it involving new policies or changes or amendments solely upon a paper record which depends for its quality only upon the individuals who see fit to comment.

"The Commission feels that the public interest requires that the individual Commissioners apply as intelligent & as expert a judgment as is possible to the merits of a proposed rule-making problem, and that an important element is the obtaining of all relevant information necessary to a considered legislative judgment.

"Therefore, in the ordinary rule-making proceeding, the Commission is of the firm view that its rules should not be confined to such 'record' as may be produced by the comments which may be filed."

Doerfer urged instead that Congress approve an FCC-drafted bill (S-1734) which would be "an effective deterrent to ex-parte communications in cases of adjudication under the Communications Act." Approved by the Senate Commerce Committee, the bill was left dangling on the Senate floor calendar in the adjournment rush at the last session of Congress (Vol. 15:33 p3, 34 p4).

In the one-man Judiciary subcommittee hearings conducted in the absence of Chmn. Carroll (D-Colo.) by Sen. Hart (D-Mich.), Doerfer also took a dim view of a companion ABA bill (S-600) establishing an Office of Federal Administrative Practice under the White House as a housekeeping watchdog over administrative agencies.

Similar objections to ABA's bills were echoed in the Senate hearings by spokesmen for other federal agencies, including FTC Chmn. Kintner. He said nobody should think that FTC takes a "position favoring ex-parte communications in adjudicative proceedings," but that S-2374 lacks "the preciseness required of statutes imposing criminal sanctions." As for S-600, Kintner said, "it would be most inappropriate to create a super independent agency with authority over agencies" in practices & procedures.

Secret Allocation Upheld: FCC's right to assign frequencies to the govt. for classified military use without public notice or hearings has been upheld in a 3-judge opinion by the U.S. Court of Appeals for D. C.

Citing "paramount" national defense needs—and refusing to explore secrecy-stamped documents in appeals in 2 FCC cases—Judges George Thomas Washington, John A. Danaher and Warren E. Burger sustained 1958 rule-making which reserved space in 420-450-mc & 8,500-9,000-mc bands for exclusive govt. use.

The govt. reservations of the non-broadcast frequencies had been protested by the Bendix Aviation Corp., which wanted the 430-mc frequency to develop an airborne aircraft anti-collision system, and by the Air Transport Assn. and Aeronautical Radio Inc., which wanted the 8,500-9,000-mc band for radionavigation use. They demanded reconsideration & hearings by FCC.

Noting that Commission papers in the case "bore a security classification" from the Office of Defense Mobilization (now the OCDM), the Court dismissed the appeals, saying it's satisfied "claim of privilege must be honored."

The 3 judges said it was enough for them to know that the govt. based its claims on representations that: (1) "Reallocation of frequency bands for govt. use is essential to fill radio-positioning requirements which have increased significantly in recent years due to the international political climate and the advent of the 'space age.'" (2) "Requirements in question cannot be accommodated in frequency bands presently allocated for govt. use." (3) "Redesignation of bands for exclusive use by govt. services must be made 'at this time.'"

International Telecommunications Union, now meeting in Geneva, has voted to expand its administrative council from 18 to 25 members to give "equitable representation" to Africa, Asia and Australasian areas where TV is developing. The ITU's plenipotentiary conference also decided that from now on it will elect chief ITU officers in a staff headed by Acting Secy.-Gen. Gerald C. Gross, ex-FCC asst. chief engineer. The officers have been picked by the council, which meets once a year. Meanwhile 3 representatives of the House Commerce Committee—Rep. Rogers (D-Tex.), clerk W. E. Williamson and staffer Andrew Stevenson—left Washington to join the U.S. delegation at the Geneva sessions, which are held every 5 years. They'll act as Congressional observers at the sessions, planning to return Nov. 30. Committee Chmn. Harris (D-Ark.) had been expected to make the trip, too, but he entered Bethesda (Md.) Naval Hospital for treatment of varicose veins instead last week.

FCC detectives working out of the Miami field engineering office, have silenced a clandestine radio transmitter, hidden near isolated Tavernier on the Fla. Keys. It had been used to transmit daily "Arise Cuba!" propaganda to Cuba against Fidel Castro's regime. The FCC engineers, cooperating with Justice Dept. agents, tracked down the illegal station after 2 weeks of monitoring surveillance. Sylvio Aguila-Entenjza and Carmen Tenichet y Fernandez were arrested for violating Communications Act requirements that radio stations & transmitter operators must be licensed.

Uncontested grant of Ch. 12, Farmington, N.M. has been awarded to Farmington Bcstg. Co. last week by FCC. The Commission finalized examiner Elizabeth C. Smith's decision of Sept. 28 which favored the grant after the competitors got together last March and agreed to merge.

FCC STUDIES CATV 'AD HOC': The FCC seems to like the suggestion by the National Community TV Assn., that the Commission sponsor an "ad hoc" committee to resolve differences among small-town TV services—stations, CATV, boosters & translators. The proposal was made by NCTA member Bill Daniels during Sen. Pastore's (D-R. I.) hearing in Denver recently (Vol. 15:44 p9).

NCTA representatives met with FCC Chmn. Doerfer Nov. 16 and he must have been impressed, because the upshot is that the Commission's Broadcast Bureau chief Harold Cowgill has called a meeting of leaders of the disputants to discuss the ad hoc idea at the Brown Palace hotel in Denver Nov. 23.

Doerfer was the sole FCC representative who met with members Nov. 16. The NCTA delegation: A J Malin, Laconia, N.H., NCTA pres.; George J. Barco, Meadville, Pa., Chmn., Legislative Advisory Committee; Glenn H. Flinn, Tyler, Tex.; Sandford Randolph, Clarksburg, W. Va.; Bill Daniels, Denver; Edward P. Whitney and E. Strafford Smith, NCTA exec. dir. and gen. counsel, respectively.

The NCTA group suggested to Doerfer that the ad hoc group might explore:

- "(1) Carrying of local stations by CATV systems.
- "(2) Duplication on CATV systems, boosters, translators and satellites of programs broadcast by local stations.
- "(3) Alleged degradation by CATV systems of local station signals. This properly should include degradation of any signals by CATV, boosters, translators and satellites.
- "(4) Liberalized uhf translator and booster rules, and licensing policies and standards for all auxiliary booster or translator services which might be authorized.
- "(5) Need or desirability of federal legislation affecting CATV.
- "(6) Available factual data with respect to actual impact of CATV, boosters and translators on local station operation."

The FCC last week again discussed, but didn't decide, how to proceed with its own CATV investigation. It plans to take subject up again, along with illegal boosters, at its Nov. 25 meeting. It still seems likely that an oral CATV proceeding will be ordered.

Protests to FCC against refusals by CBS's WCBS-TV & NBC's WRCA-TV N.Y. to sell it time for one-min. announcements promoting an NLRB bargaining election campaign have been filed by the Communications Workers of America. The AFL-CIO union said it tried to buy time for spots urging support of CWA's cause among 19,000 plant employes of the N.Y. Telephone Co., but was turned down. WCBS-TV argued that "public controversy" was involved and WRCA-TV explained that "too limited an audience" would be interested.

Protest by WHCT (Ch. 18) Hartford to sale of WNBC (Ch. 30) & WKNB New Britain-Hartford, Conn. to Connecticut TV Inc. for \$1,044,000 (Vol. 15:39 p9), was dismissed by FCC last week. WHCT sought a rehearing on grounds that the purchaser was trafficking in licenses (through resale of WKNB), that the option rights held in the buying concern by WWLP (Ch. 22) Springfield, Mass. constituted duopoly and that the buyers would own more than the number of stations permitted under FCC rules.

Auxiliary Services

Govt. completed its case in less than 2 weeks in the anti-trust trial in which Jerrold Electronics is accused of restricting competition in the sale of CATV equipment. Principal govt. witnesses were CATV operators, as Justice Dept. sought to prove its charge that Jerrold used its position as a leading equipment manufacturer and CATV operator to coerce other operators to use its equipment exclusively (Vol. 15:45 p24). Jerrold Pres. Milton J. Shapp took the stand as the defense arguments began Nov. 19. Jerrold expects to call 25 to 30 witnesses. After the govt. presented its case, Judge Francis L. Van Dusen, who is hearing the case without a jury in Philadelphia Federal Court, denied a Jerrold motion for dismissal. The trial is expected to continue at least 2 or 3 more weeks.

TV-equipped space vehicles, transmitting pictures of trips back to earth, are completely feasible, according to Navy scientist Dr. Dietrich E. Beischer. Head of the physical chemistry dept. of the U.S. Naval School of Aviation Medicine at Pensacola, he told a research & engineering conference in Boston that scientists hope to install TV in the next vehicle which takes an animal aloft. "The capsule would not have to be much larger than the one which took up monkeys Able & Baker some 300 miles last May," Dr. Beischer said. He predicted that the first U.S. astronaut's expedition would be televised to earth.

Translator starts: K70BR Durango, Colo. began Oct. 30 repeating KOAT-TV Albuquerque. K70BJ Navajo Compressor Station, Ariz. began tests Nov. 1 carrying KOB-TV Albuquerque programs; K74AV at same location is scheduled to begin with KOAT-TV Albuquerque on Jan. 1. K70BP, K74AX & K78AN Yreka & Weed, Cal. are scheduled to start Nov. 30 repeating KBES-TV Medford, Ore., KVIP-TV Redding, Cal. & KHSL-TV Chico, Cal.

TelePrompTer's ancillary rights (TV, radio, movies) to the proposed Patterson-Johansson heavyweight title rematch are "unaffected" by the revocation of the Rosensohn Enterprises promotion license by the N.Y. State Boxing Commission, TelePrompTer officials have told us. Rosensohn Enterprises can still stage the fight in another state and at present RE's Pres. Vincent J. Vellella is negotiating for Miami's Orange Bowl for March 1960.

Time-zone differences were eliminated in a 33-city closed-circuit telecast to Owens-Corning Fiberglas distributors & building-industry customers Nov. 16. By means of video tape, the presentation was telecast at 4 p.m. in each zone, with a 5 p.m. show for delegates to the Building Products Exposition of the National Retail Lumber Dealers Assn. in Cleveland. The program was produced by Sales Communication Inc., with the closed-circuit & video-taping handled by Giantview TV Network.

Applications for 5 microwave stations to pick up TV signals of Salt Lake City & Pocatello, Ida. stations for CATV systems in Bozeman, Livingston and Dillon, Mont. have been designated for hearing. The FCC granted the protest of KXLF-TV (Ch. 4) Butte, Mont. and will hold a hearing, but it also authorized the permittee, Montana-Idaho Microwave Inc., to continue to construct & use facilities granted pending final determination of hearing.

Council on Medical TV, new unit of N.Y.'s Institute for Advancement of Medical Communications (Vol. 15:43 p20), will be helped in further organization by a govt. grant from the general medical sciences div. of the National Institutes of Health.

Advertising

Toothpaste Commercials Hit: Joining recent attacks by the American Dental Assn. and the Health, Education & Welfare Dept. on advertised claims for dentrifices (Vol. 15:46 p6), FTC last week filed formal charges against the Colgate-Palmolive Co. for "deceptive" TV commercials.

FTC complaints about toothpaste ads in other media have been issued by the agency, but it was the first time since FTC's now-expanded special TV-radio monitoring unit (Vol. 15:44-45) was set up in 1957 that TV ads in the dentifrice field have been singled out for attack.

Colgate-Palmolive was accused of misrepresenting the efficacy of Colgate Dental Cream "with Gardol" which is portrayed on TV screens as "a protective shield" against tooth decay & cavities. The FTC complaint said the Colgate product "does not completely protect" users from such tooth trouble, that the "protective shield" commercials—along with similar representations in newspaper & magazine ads—"unfairly diverted trade from competitors [and] substantially injured competition." The company was given 30 days by FTC to reply to the charges.

* * *

FTC restraint-of-trade charges against big TV advertiser Procter & Gamble for alleged illegal promotion ties with washing & dishwashing machine manufacturers (Vol. 15:31 p14) have been denied by the company and its subsidiary Procter & Gamble Distributing Co. P&G said in its formal answer to the FTC complaint that contracts with the manufacturers for use of Tide & Dash detergents "are & were lawful & proper in every respect." It asked that the charges be dismissed.

* * *

Arthritis cure claims in TV-radio-newspaper advertising for *Arthritis & Common Sense*, written by Dan Dale Alexander and published by his Witkower Press Inc., Hartford, are false, according to an initial FTC decision by examiner James A. Purcell. He cited "deceptive" TV commercials for the book, said radio interviews with Alexander contain "a hodgepodge of scientific folderol & medical mumbo jumbo," and listed "dozens of misrepresentations" in newspaper promotion.

Ad People: Timothy Stone and Norman Grulich named Benton & Bowles vp's . . . William L. Diener resigns as Leo Burnett vp & dir. . . Russ Ford named Doherty, Clifford, Steers & Shenfield TV-radio commercial production dir. . . James Rankin, ex-J. M. Mathes, named TV creative supervisor, Norman, Craig & Kummel . . . Frederick P. Harvey named Donahue & Coe vp for industrial & corporate div. . . Robert R. Burton, Kenyon & Eckhardt senior vp, elected a dir.; Victor Armstrong promoted from vp to senior vp . . . John H. Wilson Jr. named Grant Adv. vp.

Growing cooperation between supermarkets & local TV, means that TV advertisers are "gaining twice-over," reports Nov. 13 *Printers' Ink*. In exchange for free spot announcements, supermarkets are permitting TV stations to erect in-store displays. The stations in turn use the gratis point-of-sale displays as a bonus for sponsors—and the advertiser gets another bonus when the supermarkets use their free TV spot announcements.

Obituary

John J. Flanagan, McCann-Erickson vp & associate media dir., died Nov. 12 in N.Y. after a brief illness. Surviving are his wife, a son and 3 daughters.

MAB's Anti-TV Sunday Punch: The much-discussed (Vol. 15:41, pp3 & 13) new presentation of the Magazine Advertising Bureau was unveiled publicly in N.Y. Nov. 19 to agency & magazine executives. The presentation contained no surprises to admen familiar with MAB's media tack this season of downgrading TV's sizable audiences on the basis of the "profitable difference" with magazine readers.

Stressed by MAB officials throughout the 60-min. slide presentation made at the Waldorf-Astoria was a theme of snob appeal. The key point made was that magazine readership rose and TV viewing fell off—according to research done in a 5,000-home panel April 19-May 30 by Market Research Corp. of America—as family income & education levels rose. There is, said MAB, a "direct relation between degree of [product] buying & degree of exposure to magazines—the reverse with TV households."

As an example, MAB pointed to magazines-vs.-TV in terms of the percentage of households owning automatic washers. In the "heavy viewing homes (20 hrs. weekly), washer ownership was 41.6%. In "heavy" magazine-reading households (the upper 25% of households in terms of magazine-ad exposure, numbering 11.8 million), washer ownership was 54.8%.

In Other Media: Objectionable advertising in the movie & publishing industries will come under Congressional scrutiny next year, reports *Editor & Publisher*, which quotes Representative Kathryn E. Granahan (D-Pa.) as saying that the House Post Office subcommittee she heads will seek the views of those industries on self-policing programs . . . Now that TV has tripped over its veracity, it behoves newspapers & magazines too "to squeeze out the water of deception," nudges a letter-writer to the newspaper trade publication. He pelts such newspaper rigs as: "phonied up camera views" which are presented as "news pictures" and How-I-Won-The-Title-And-Found-God articles by fistic figures barely capable of signing their own names . . . Magazine lineage increased 18.4% in Nov. over Nov. 1958, reports *Printers' Ink*, and pushed the cumulative gain 8.3% ahead of the Jan.-Nov. 1958 performance.

Rise in talent costs of specials is forcing Du Pont, which had scheduled a total of 9 CBS-TV 90-min. specials in the 1959-60 season, to cut back to 8. Even with this 11% cutback in number, the shows will cost Du Pont "more than the 9 produced last year," said Du Pont TV mgr. Charles E. Crowley in N.Y. last week. Below-the-line costs of producing taped shows—in which directors lean more toward the perfectionism of movie retakes than the go-for-broke plunge in true live TV—have also risen.

Radio came to TV's defense when RAB Pres. Kevin B. Sweeney told the San Francisco Ad Club: "The criticism of TV has now reached absurd proportions. To pillory an entire industry because of what a handful of swindlers & crooks were able to do is unfair." He also pointed out, however, that "radio has no part of this quiz scandal nor of any other scandal . . . Radio runs a tidy household and we are not to blame for the dust under TV's carpet."

Stations must put less emphasis on ratings and more on the quality & performance of the station, Lawrence Webb, managing dir., Station Reps Assn., told the Ore.-Wash. State Broadcasters Nov. 19. "As more stations go on the air, the process of selecting local media by national advertisers is going to be more thoughtful than ever before," he said. Thus the station must "acquaint its rep with its available audience, not just its availabilities."

Television Digest

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WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Box 700, Rodnor, Pa. Murray B-3940
JAMES T. QUIRK, *Business Manager* MERRILL PANITT, *Editorial Director*
JAMES B. DELEHANTY, *Asst. Business Mgr.* HAROLD B. CLEMENKO, *Managing Editor*
 DAVID LACHENBRUCH, *Associate Editor*
 HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyott Building
 Washington 5, D.C.
 Sterling 3-1755
 ALBERT WARREN, *Chief*
 WILBUR H. BALDINGER
 WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.
 New York 22, N.Y.
 Plaza 2-0195
 CHARLES SINCLAIR

WEST COAST BUREAU

6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210
 DAVID KAUFMAN

MARTIN CODEL
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Personals: Morris Wattenberg, ex-WABC-TV ad & promotion mgr., named ABC Radio sales development & research dir. . . . Robert J. Rich promoted from asst. gen. mgr. to gen. mgr., WDSM-TV & WDSM, Duluth, Minn. . . . Bob King named gen. mgr., KSWO-TV Lawton, Okla. . . . Richard W. Holloway, ex-WDEF-TV Chattanooga, named sales mgr., WFMY-TV Greensboro, N.C.

Bennet H. Korn named TV exec. vp, Metropolitan Bestg. Corp. . . . Robert W. Sevey promoted from sales mgr., KGMB-TV Honolulu, and satellites KMAU-TV Maui, and KHBC-TV Hilo, to station mgr. . . . Mort Rubenstein named creative dir., Jacques Sammes, copy chief, CBS-TV ad & sales promotion dept.

Sam Lomborg appointed European sales mgr., NTA, headquartering in London . . . William Andrews named sales mgr., ITC syndicated divisions . . . Burt Kleiner promoted from vp to pres., Cantor, Fitzgerald & Co. investment bankers, succeeding B. Gerald Cantor, resigned to become National Theatres & Television pres. (Vol. 15:46 p17) . . . Louis & Phyllis Hepp, husband & wife news team, will head NBC News' newly-opened Athens, Greece, bureau.

George L. Coleman, part-owner of KCOP Los Angeles and radio KFOX Long Beach, Cal., was married Nov. 12 in Miami, Okla. to the former Mrs. Louis G. Soles . . . George Barren-Bregge, vp-gen. mgr., WPTZ Plattsburgh, N.Y., named to new post of TV operations vp, Rollins Bestg.-Telecstg. Inc., Pensacola.

Harold Essex, vp-gen. mgr., WSJS-TV & WSJS Winston-Salem, is back at his desk after being detained at Baptist Hospital, Winston-Salem, for injuries received in an automobile accident Nov. 4. Mrs. Essex, who was also in the accident, is recovering at home.

National TV Week, promoted coincidentally last week by NAB at a time of big trouble for the industry, brought public congratulatory messages from such sometimes-critical organizations as the National Congress of Parents & Teachers. "We wish to thank you for the immense amount of public service messages on TV," the PTA organization told NAB's TV vp Thad Brown Jr. Similar sentiments were expressed by the Supreme Lodge of Loyal Order of Moose, Boys' Clubs of America, other civic, fraternal and public service organizations.

Dr. Frank Stanton, CBS Inc. pres., will receive *Printers' Ink's* advertising gold medal award for 1959 Feb. 18, at the Waldorf-Astoria, N.Y.

"Golden Mike" Awards were presented last week by Radio and Television News Club of Southern Cal., to the following TV people & stations: Jack Latham, KRCA, for best TV newscasting; Lee Nichols, KRCA, best TV news writing; Dexter Alley, KRCA, best TV news film coverage; Gil Stratton, KOXT, best TV sports reporting; KTLA, best TV news reporting by an independent station; KRCA, best TV special news programming (Chavez Ravine report); KNXT, special award for documentary, "Thou Shalt Not Kill"; Baxter Ward, KCOP, best TV commentary; KTLA, most aggressive news policy by a TV station.

There's too much drinking on both sides of the Atlantic, according to secy. George Tomlinson of Britain's Public Morality Council. In the course of an emergency meeting called to see what can be done to stem a strip-tease craze in London, Tomlinson complained that TV also endangered morals: "Every time a script writer runs out of ideas he has one of his characters say 'Let's have a drink.' And is this drink milk or fruit juice or something vigorous & healthy? No. Invariably it is poured from a scotch, a bourbon, a gin or a vodka bottle."

Witnesses before a state legislative investigative committee may refuse to testify if TV cameras are covering the event, it's been ruled by Los Angeles Municipal Judge Byron Walters. He dismissed contempt actions against 8 defendants who had refused to testify before the State Assembly Committee on rackets last Nov. when TV was covering the hearings. Judge Walters condemned such coverage on the grounds that it makes witnesses self-conscious and prevents their thinking clearly.

Nonsensical stage at which the let's-everybody-settle-TV's-future discussion has arrived, is unconsciously pointed up by a letter to the *N.Y. Times* from J. H. Randall Jr., Woodbridge Prof. of Philosophy, Columbia U. Said he: the simplest way to prevent future TV scandals is to adopt the British policy of etc., etc. After a paragraph of this the professor wrote: "I might add I have never seen an American TV show in this country."

Meetings next week: Academy of TV Arts & Sciences forum on music for TV (Nov. 30), NBC, N.Y. . . . RTES timebuying-selling seminar (Dec. 1), George Huntington, TvB vp-gen. mgr., and Horace S. Schwerin, Schwerin Research Corp. pres. Subject: "Sponsor Identification—What's It Worth?", Hotel Lexington, N.Y. . . . EIA winter conference (2-4), Statler-Hilton, Los Angeles . . . NAB convention committee (4), NAB HQ, Washington.

Anti-pay-TV-cheating device, preventing customers from bypassing meters attached to sets, has been patented (No. 2,912,600) by Hans D. Isenberg, Wilmette, Ill. As described for the U.S. Patent Office, the device insulates conductors so tightly with a network of spiraled wiring that nobody can tamper with lead-in cables & meters without causing short-circuits which cut off pay-TV programs.

Alfred I. duPont Awards Foundation is now accepting nominations for the 17th annual TV & radio awards, reports curator O. W. Riegel, dir. of the Lee Memorial Journalism Foundation at Washington & Lee U., Lexington, Va. Deadline for the nominations is Dec. 31. Winners will be announced in March.

Cal. has no law against payola and no investigation of the practice is planned in Los Angeles, district atty. William McKesson of L.A. said last week. The only such prohibition is against gifts to public officials or employes and sports officials such as referees in boxing matches.

RETURN OF FM—BOOMLET BECOMING BOOM: If FM was dead in 1954 when its funeral orations were intoned, it's a pretty lively zombie today. And all set makers agree that, thanks to the hi-fi trans-fusion, it will continue to grow in 1960. When FCC establishes stereo-multiplexing FM broadcast standards, it may well touch off a buying wave to dwarf FM radio's peak sales year of 1948.

Figures on FM radio sales are diffuse, sketchy & unreliable—since the business is a complex mixture of table radios, phono combinations, audiophile tuners and imports. But from various industry sources, we have distilled estimates which indicate that nearly 1.5 million FM receiving devices will be sold this year.

Our educated guesstimate of FM sales this year: Hi-fi phono units with FM, close to 590,000; FM-AM & FM-only table model radios, 565,000; consumer purchases of FM tuners of all kinds (for use with component hi-fi, phonos, TV, etc.), 150,000; imports of FM receivers in all categories, somewhat less than 100,000. FM's best year, 1948, saw sales of more than 1.5 million FM radios plus uncounted tuners & combinations.

Only available reliable industry statistics on FM set sales are those kept by EIA, reflecting sales of domestically made FM radios & FM-phono combinations. During first 9 months of this year, they indicate that 367,804 FM and FM-AM radios and some 370,000 hi-fi phono units with FM were sold at retail, for total of 737,804 in both categories. The comparable figures for the same 1958 period are 176,060 & 225,000, totaling 401,060. Thus 1959 sales of domestically produced sets are nearly double those of last year.

This year has seen first decline in imports of FM & phono-FM combinations—along with all foreign-made hi-fi. Last year, imports (mainly from Germany) of FM sets—mostly in hi-fi units—totaled about 150,000. This year, it's estimated they will have dropped to less than 100,000. Reason for this decline is obvious—plenty of high-quality widely-advertised U.S.-made hi-fi & FM units now available.

Japanese have just begun to dip their feet into FM export trade, making virtually no impact. Reason: high prices. Japan has no FM broadcasting, so there's no way to amortize FM set engineering, tooling & production costs through output for domestic trade. Situation may change, and some industry figures expect Japan to offer competition in the FM set market (particularly transistor models) in year or so, since commercial licensing of FM stations in Japan is due to begin next year. If there's boom in FM sets in Japan, you can bet tiny transistor FM units will begin to spill over to U.S.

• • • • •

It's unnecessary even to say that FM spurt is due mainly to hi-fi popularity, increasing public interest in "good" music and growing awareness of good reception provided by FM. Another important factor in FM's growth—rarely mentioned in broadcasting circles, but widely accepted in manufacturing-distribution trade—has been AM radio. There's no question that caliber of most AM programming—and we're not talking about the static—is driving a portion of the public to FM.

Phenomenal success of cheap non-hi-fi FM sets is one proof of latter statement. For more, ask any radio dealer. Although every major radio maker now is back in FM or FM-AM set business, the "cheap FM" market still is in hands of couple of relatively small firms.

Only major radio maker which never stopped making FM sets—Zenith—also says it never lost money on FM production. "The profit, however, was nothing like the one we expect to realize out of FM this year," says Zenith Pres. Joseph S. Wright. "Our sales this year will be double those of 1958 and a good part of our volume will be in expensive console models." Zenith has just restored to its line an FM-only set—with an AM "twin" available for FM-AM stereocasts.

Zenith's philosophy with regard to cheap FM sets is summed up concisely by consumer products exec. vp Leonard Truesdell: "We're not interested in that kind of merchandise."

No. 1 & No. 2 in FM radio manufacturing field (in disputed order) are Zenith and upstart Granco Products Inc. Granco's specialty is inexpensive sets—its reputation was made on \$29.95 FM-only set, marketed at a time when no other set maker was producing FM-only units (Vol. 15:21 p18).

Little Granco expects to make more than 250,000 FM sets this year, according to Pres. Henry Fogel. His company's philosophy: Produce FM radios for the average man—not the hi-fi buff. Although Granco does make expensive models and stereo-FM combinations, its bread-&-butter is the plastic table model based on the coaxial tuner originally developed by Granco for uhf TV converters.

Next big mass FM market for Granco, according to Fogel, lies in its new \$19.95 FM tuner. "We're doing very well, can't keep up with orders," Fogel tells us, predicting his company will sell 100,000 next year. Potential market: Everybody who owns a TV, phono or AM radio with a "tuner jack" or "phono jack." Fogel classifies the new tuner as an "impulse purchase," which a phono-record buyer might pick up at the record store, for example, without premeditation.

FM auto radios? They're on their way, says Fogel. His company will market them next March or April—hybrid transistor-tube sets in FM-only, AM-FM and FM-tuner versions. Thus Granco walks in where other manufacturers fear to tread—or have trod and burned their feet. Other manufacturers such as Bendix (which made FM set for Lincoln autos last year) have left the field. Several small domestic producers make car FM converters or tuners, and expensive German FM car sets are available. Granco's trump card: Its car radio will be inexpensive.

In addition to making FM sets, Granco supplies its coaxial-tuning FM front end to 3 or 4 other manufacturers. Other makers of prefabricated FM front ends selling to set makers on U.S. market include General Instrument, Standard Coil, Sarkes Tarzian, Gorler of Germany.

One barrier to FM radio sales still remains: FM is not nationwide medium. But casting hopeful eye at increasing applications for FM stations, FM-active manufacturers hope that soon every major U.S. area will have enough choice of FM stations to open large new areas of potential sales.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 13 (45th week of 1959):

	Nov. 6-13	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	149,295	140,966	112,202	5,484,904	4,286,694
Total radio	342,497	373,683	364,943	13,436,062	9,623,802
auto radio	63,166	91,362	113,309	4,837,796	2,918,106

RCA's automobile phono (Vol. 15:34 p16) is now being sold as an accessory for 1960 Plymouths & DeSotos at \$51.75. It plugs into a special jack in the auto radio (\$59.50 or \$84.30), using radio speaker & amplifier. The changer is designed to play 14 standard 45-rpm records automatically, providing up to 2 hours of continuous entertainment. Designed by RCA for the Chrysler Corp., it is mounted under the instrument panel with 3 coil springs enclosed within rubber "balloon" shock absorbers. The pickup arm is located below the record, and the changer unloads the records as they are played and stacks them inside the case which also serves as a record-storage compartment. Records may be rejected or repeated by pressing a button; the machine may be loaded with one hand. The new changer differs from the 16 $\frac{3}{4}$ -rpm Columbia-developed "highway hi fi" sold with 1956 Chrysler cars (Vol. 11:38-39) in that it uses standard records.

Du Mont Labs plans to establish a plant in Italy to produce industrial & military cathode-ray tubes and other electronic equipment, Chmn. Dr. Allen B. Du Mont made known recently. Plant site is to be announced by year's end.

Emerson introduces 3 new TVs in time for Christmas market: 17-in. portable with 3-stage IF, telescoping dipole antenna, \$156; 17-in. table model with 3-stage IF, front controls, \$128; lowboy stereo phono-radio with 110-degree 21-in. TV, in 3 wood veneers, \$398.

GE has received a \$101-million Air Force contract to continue development of missile nose cones.

"Failure to act on Japanese imports will have the effect of committing the American people to eventual establishment of vital defense industries 4,500 miles across the Pacific Ocean." So said EIA Pres. David R. Hull Nov. 17, addressing the general conference of the Joint Electron Devices Engineering Council in Philadelphia. Urging industry members to acquaint Congress with electronics' major problems through "person-to-person communication," he pointed out that one Japanese transistor is imported for every 3.6 units made here, and that Japanese transistor radios now account for 25% of domestic radio output. "We regard transistor imports as merely the beginning of a general deployment of the Japanese electronics industry on the territory and into the defense potential of the U.S.," he said. Other important industry problems which he said should be called to the attention of legislators: the EIA's program for repeal of the Walsh-Healey Act; endorsement of the bill by Rep. Harris (D-Ark.) to create a federal spectrum authority.

Factory prices of Japanese radios will go down—on paper, at least—when the Japanese govt. eliminates the "check-price" system on radio exports Jan. 1. The check price originally designed to insure an influx of dollars, is a govt.-established minimum price. There were so many loopholes in the system, however, that hardly any U.S. importers had observed the minimum prices, circumventing them with various subterfuges. The end of the system will cut down on the paperwork currently involved in circumventing the price floors, and will result, in effect, in the lowering of duties on Japanese radio imports.

BBB RAPS SOCKET ANTENNAS: Advertising claims made for the latest TV accessory fad—indoor antennas which plug into electrical outlets—were given a resounding thwack last week by the National Better Business Bureau. The socket antennas, now being merchandised by more than a dozen firms, are believed to have sold already in the hundreds of thousands. They're merchandised largely through dept. stores and by mail-order coupon ads.

In a service bulletin to BBB ad-media members, the BBB takes note of some of the wilder claims ("Turn your house wiring into a giant TV antenna"). Based on reports of "authorities," BBB found that "house wiring is not an effective TV antenna," citing these findings:

(1) It's generally grounded & shielded. (2) It isn't directional. (3) Signal pickup, if any, is largely limited to the 5- or 6-ft. line cord and to the twin-lead line. (4) Plugging socket antennas into the electrical outlet may actually result in poorer picture than using the same antenna unplugged. (5) The effectiveness of an antenna improves as the length is increased only up to about one-half wavelength. (6) "Some hazard may be involved."

BBB's recommendations on advertisement acceptance: "That performance claims in advertising [be] limited to their actual capabilities in the areas in which such advertising will appear, and that media require competent proof of the claims made, [and] that the advertising of such devices should not state or imply, unqualifiedly, that they employ the house wiring system as an effective antenna, or that they use radar principles."

How can media check on the claims made for such antennas? BBB gives this simple formula: "Enlightenment on the accuracy of performance claims can be readily obtained on such devices by trying them."

Note: One technical publication—*Radio Electronics*—did try one and reported to its readers in its Dec. issue that the device was "noticeably less efficient than a few feet of wire thrown on the floor." Its article on the socket antenna is titled "Five Feet of Wire—Only \$4.95!"

* * *

Jerrold Electronics Corp., which manufactures an indoor TV antenna called the "TV Receptor," stated that its product wasn't covered by the BBB report. Asked to comment, a company spokesman said he was in "thorough agreement" with the sections of the report dealing with advertising claims and the possible shock hazards of plug-in antennas. Jerrold's Receptor has a slot in which the TV set's insulated line-cord is placed, doesn't plug in outlet.

Sonora rides again: The "Sonora" label, one of the first in TV, will be seen again on TV sets—made, this time, by Trav-Ler Radio Corp., which has purchased the name for a new TV-radio-phono-recorder line. The seller was Automotive Mfg. Co., Chicago firm which this year bought the assets of bankrupt Sonora Electronics Inc. (Vol. 15:14 p17). The old Sonora Radio Co. was purchased in 1957 at an Internal Revenue-conducted auction by Thomas F. Kelly & Associates, who sold it in 1958 to Earl Muntz & Frank Atlas. National distribution of the new Sonora line will be handled for Trav-Ler by Park Radio Service Inc., N.Y.

Aviation electronic needs in the Army's long-range plans will be described for representatives of 100 aircraft & electronic firms at a classified Defense Dept. conference Dec. 1 at Ft. Monroe, Va. The firms will be given 10 weeks to work out design concepts (on a no-pay basis) for such Army requirements as surveillance aircraft heavily instrumented with electronic detection devices.

Major IRE awards, to be presented at the group's convention in N.Y. next March: (1) Founders Award, to consulting engineer Haraden Pratt, former telecommunications advisor to the President, "for outstanding contributions to the radio engineering profession and to the IRE through wise & courageous leadership in the planning & administration of technical developments which have greatly increased the impact of electronics on the public welfare." (2) Medal of Honor, to consulting engineer Harry Nyquist, former Bell Labs scientist, "for fundamental contributions to a quantitative understanding of thermal noise, data transmission and negative feedback." (3) Morris Liebmann Memorial Prize, to J. A. Rajchman, RCA Labs, "for contributions to the development of magnetic devices for information processing." (4) Browder J. Thompson Memorial Prize, to J. W. Gewartowski, Bell Labs. (5) Harry Diamond Memorial Award to K. A. Norton, National Bureau of Standards, "for contributions to the understanding of radio-wave propagation." (6) W. R. G. Baker Award, to E. J. Nalos, GE.

Ronald L. McFarlen, consultant to Raytheon and Datamat, has been elected 1960 pres. of IRE, succeeding Pres. Ernst Weber of Polytechnic Institute of Brooklyn. Elected to the new post of vp representing overseas countries was J. A. Ratcliffe, head of radio research at the Cavendish Laboratory, Cambridge, England. North American vp will be J. N. Dyer, vp of the research & engineering div. of Airborne Instruments Lab, succeeding Donald B. Sinclair, General Radio Co. Directors for 1960-1962 will be W. G. Shepherd, U. of Minnesota, and George Sinclair, U. of Toronto. Regional directors for 1960-61 are J. B. Russell, GE; B. J. Dasher, Ga. Institute of Technology; R. E. Moe, GE; C. W. Carnahan, Varian Associates.

Among 76 engineers named Fellows of the IRE by the Institute's board last week were these scientists honored for their contributions in TV-radio & related fields: A. N. Curtiss, RCA West Coast missile & surface radar div., for contributions to radio & radar technology; C. E. Dean, Hazeltine, radio & TV receivers; Stephen Doba Jr., Bell Labs, TV signal transmission; P. W. Howells, GE, color TV; L. H. Montgomery, radio WSM Nashville, medical electronics; F. R. Norton, Ramo Wooldridge Denver Labs, radar & TV; D. S. Rau, RCA Communications, international radio communications system; W. T. Selsted, Ampex, magnetic recording.

Canada's TV slump continued through Sept., when 48,670 sets were sold to dealers by distributors, as compared with 54,411 in Sept. 1958. For 1959's first 9 months, 271,222 sets were sold vs. 279,718 in the same 1958 months. The 9-month breakdown (corresponding 1958 figures in parentheses): portables, 46,837 (43,950); table models, 69,630 (88,031); consoles, 145,926 (139,468); TV-radio-phono combinations, 8,829 (8,269). For Sept. 1959 (vs. Sept. 1958) the breakdown was: portables, 6,115 (7,356); tables, 11,247 (15,670); consoles, 29,754 (30,445); combinations, 1,554 (940).

An estate of more than \$10 million was left by Motorola Chmn. Paul V. Galvin, who died Nov. 5 (Vol. 15:45 p17). Under the terms of a petition filed last week in Cook County (Ill.) Probate Court, the bulk of his estate will be divided equally between his widow, Mrs. Virginia C. Galvin, and a trust fund to be established for "charitable, scientific, religious, literary & educational purposes." Other bequests, to relatives and others, involve 10,000 shares of Motorola common stock (valued at more than \$1.5 million) and cash.

Trade Personal: Robert W. Galvin, Motorola pres., also named chief executive officer, the post held by his father, the late Chmn. Paul V. Galvin. The post of chmn. will remain vacant at least until the next scheduled board meeting in Dec. . . . Norman A. Langenfield appointed GE radio receiver sales mgr., succeeding Cecil S. Semple; Charles J. Fabso named phonograph sales mgr.—both appointments effective Dec. 1; William A. Monahan named national account sales mgr., GE radio receiver dept., effective Jan. 1. . . . William F. E. Long, mgr. of EIA's marketing data dept., Dec. 7 joins Philco's Lansdale div. (tubes & semi-conductors) in a long-range planning capacity. His successor at EIA hasn't been announced.

James D. McLean resigned last week as pres. of Hoffman Labs div. & vp of parent Hoffman Electronics. The onetime Philco vp hasn't revealed his plans. Hoffman Labs div. treas. Jack Kuhner takes over as head of div., with title of gen. mgr. . . . Thomas S. Knight Jr., ex-district sales mgr. for Fla. & Ga., named GE sales mgr. for receiving tubes, picture tubes & hi-fi components, headquartered in Owensboro, Ky.

K. B. (Ken) Price, ex-Sprague Products, named sales mgr., Merit Coil & Transformer Corp. . . . Neil M. Blair, ex-vp & asst. to the pres. of ITT subsidiary Intalex Systems (Vol. 15:31 p19), named gen. mgr., Amphenol-Borg industrial products—Danbury Knudsen div. . . . Philip C. Leffel Jr., former mgr. of Corning Glass receiver bulb sales dept., heads new Corning manufacturing dept. producing ceramic parts primarily for the electronics industry.

Joseph S. DeMaio named ad & sales promotion mgr., Corning Glass electrical products div. . . . William N. Latsch named Heath Co. ad production mgr. . . . Warren B Hayes transferred from post of operations vp, Thompson Ramo Wooldridge subsidiary Pacific Semiconductors, to asst. for new enterprises to Thompson Ramo Wooldridge pres. Dr. Dean E. Wooldridge. Richard A. Campbell succeeds Hayes at Pacific Semiconductors.

Walter J. Krueel named executive vp of Hallamore Electronics div. (closed-circuit TV) of Siegler Corp., succeeding John J. Burke . . . Harvey G. Lowhurst, ex-Link Aviation, named Ampex Corp. patent counsel . . . Juan Weidemann, ex-pres. of Overseas Industries Inc., appointed dir. of exports, special products div., Conley Electronics Corp. (MoodMaster taped music systems).

Reuben O. Schlegelmilch appointed technical dir. of Westinghouse's defense products group . . . Harold S. Thorpe appointed gen. mgr., Avnet Electronics . . . Iden F. Richardson named mgr., Hughes Products Group div. of Hughes Aircraft, succeeding Raymond B. Parkhurst, who resumes former post of manufacturing vp . . . Herbert C. Craig, ex-Westinghouse, named oil-paper capacitors mktg. mgr., Cornell-Dubilier . . . Earl E. Sargent appointed mgr., Sylvania computer products Muncy plant.

RCA has established a \$28,000 David Sarnoff Scholarship Fund for Japanese science & electronics graduate & undergraduate students for the 1960-61 school year, research & development vp Douglas H. Ewing made known in Tokyo last week. The scholarships will be administered by the U.S. Educational Mission to Japan and the Japanese Ministry of Education. Half of the fund will be used to provide Japanese students with fellowships for U.S. study.

Obituary

R. Kenneth Braunsdorff, 63, Tung-Sol Electric Co. chief engineer from 1925 to 1958, died of a heart attack Nov. 16 in East Orange, N.J. He is survived by wife and daughter.

OCDM deadline for comments on the agency's investigation of EIA protests against imports of transistorized Japanese products (Vol. 15:46 p21) was extended last week from Nov. 17 to Dec. 15. "The extension, which applies for all parties concerned, was requested by foreign & domestic organizations with an interest in the investigation," OCDM said. Rebuttals are due by Jan. 15, all further data & comments by Jan. 31. OCDM rules require parties furnish 25 copies of all statements, to be open to public inspection unless "confidential treatment is requested."

State winners of Westinghouse-supported 1959 Electric Program competition of the National 4-H Club were announced last week. Seven girls & 40 boys were named for outstanding electrical projects for improving their homes & farms. Six will be selected later as national winners and will be awarded \$400 college scholarships by the Westinghouse Educational Foundation. In the past 24 years, the Foundation has awarded 135 scholarships. More than 133,000 boys & girls entered the 1959 competition.

Use of tiny Nuvistor triode tubes as RF amplifiers in vhf TV tuners provides 2 db more gain and nearly 1 db lower noise factor in a neutralized grounded-cathode circuit. So said RCA tube engineer Louis S. Baar at IRE's annual Radio Fall Meeting in Syracuse. "Two Nuvistors in cascode operation provide an increased gain over the grounded cathode circuit in the order of 4 db," he said.

Tunnel diodes will be made available to industry by RCA in sample quantities for experimental purposes beginning Nov. 23. The initial types include 12 designed for operation up to 1000 mc with power consumption ranging from .75 mw to 3 mw, nominal peak currents (tunnel currents) from 1.8 ma to 6.8 ma.

More radios were sold in Sept. in Southern Cal. than in any other month since the Electric League of Los Angeles began recording figures in Jan. 1955. A total of 53,681 radios were distributed in the 7 counties covered by the survey, reports Southern Cal. Bcstrs. Assn., 23% greater than Sept. 1958 sales. Baseball fever and transistor sets are credited for the upsurge. Area radio sales for the first 9 months of this year were 30% greater than '58's period.

Standard for TV luminance signals, as developed by IRE for measurement of the luminance component of color TV, has been approved by the American Standards Assn. (ASA). *American Standard Measurement of Television Luminance Signal Levels* (C16.31-1959) is available for 60¢ a copy. ASA, Dept. PR 108, 70 E. 45 St. N.Y. 7.

Panamanian TV import duties have been slashed by a new govt. decree. The tariffs now run from 5% for sets priced up to \$150 to 15% for sets priced \$250 or more. The old rates ranged from 20% for up-to-\$125 sets to 30% for TV-radio-phonos combos.

Westinghouse's 23-in. sets (Vol. 15:44 p17)—2 Danish modern lowboys at \$330 & \$390, using laminated safety-glass tube—went into production last week and are due on the market early next month.

Raytheon has dropped prices on 23 types of transistors. The reductions range from 5%, for germanium transistors used in audio & radio receiver applications, to 35%, for switching transistors used in computers & control gear.

Theater-screen advertising is being used by Philco to promote its Safari battery-operated portable TV, according to Theatre-Screen Advertising Bureau which reports the TV manufacturer is using 7 full-color commercials.

Finance

Westinghouse expects its 4th-quarter net to "maintain the same gain" over 1958's final quarter established by Jan.-Sept. over Jan.-Sept. 1958 (Vol. 15:44 p21), Pres. Mark W. Cresap Jr. said last week. He anticipates a company-wide pre-tax profit-margin increase of 1.5 percentage points for 1959 over 1958, and thinks the current year "will show a modest increase in total billings." Consumer products vp Chris J. Witting noted that Westinghouse's 1959 consumer-products sales volume is "no great increase" over the pre-recession year of 1957, but has produced "a tremendous increase in profits" due to cost reductions. He forecast a 5% gain for the consumer-goods volume in 1960, barring a resumption of the steel strike in Jan.

Telechrome Mfg. Corp., Amityville, N.Y. maker of b&w & color TV broadcasting & test equipment, has submitted SEC registration (File 2-15843) for a public offering of \$750,000 of 6% convertible subordinated debentures due 1969. Underwritten by Amos Treat & Co. Inc. and Truman, Wasserman & Co. Inc., the debentures would be convertible into Telechrome's 10¢ par Class A stock, terms to be supplied in an amended SEC statement. The underwriters have agreed to purchase warrants for 10,000 Class A shares, exercisable for 5 years from the issue date.

Webcor Inc. reports a slight reduction in earnings despite a sales increase approximating 8% in the first fiscal quarter ended Sept. 30. The Chicago concern also reports that its 1959 fiscal year ended June 30 produced earnings of \$11,741 (2¢ a share) on \$33,498,227 sales. Comparative 1958 figures are not available because of a change in Webcor's fiscal year. Chmn-Pres. Titus Haffa said that profits were down in 1959 from 1958, however, and attributed the decline in part to Webcor's costly changeover to stereophonic phonographs & tape recorders. For the first fiscal quarter ended Sept. 30:

	1959	1958
Sales	\$8,783,000	\$8,070,000
Net income	135,000	136,000
Earned per share	21¢	21¢

Varian Associates doubled sales and sharply increased earnings in the fiscal year ended Sept. 30:

	1959	1958
Sales	\$38,130,311	\$18,985,714
Net income	2,518,169	1,503,727
Earned per share	81¢	48¢
Shares outstanding	3,125,650	3,103,698
For the quarter ended Sept. 30:		
Sales	\$9,074,110	\$7,168,152
Net income	729,371	476,273
Earned per share	24¢	15¢

NAFI Corp., the diversifying automotive upholstery & carpet firm which now owns KPTV Portland, Ore., and radio KOBV San Francisco, and whose purchase of KCOP Los Angeles awaits FCC approval, reports profitable operation for 9 months ended Sept. 30: 1959

	1959	1958
Sales	\$15,347,161	\$15,385,789
Net profit (loss in 1958)	495,191	(627,279)
Earned per share	50¢	—
Shares outstanding	987,655	987,655

Rek-O-Kut Co. Inc., maker of phonograph recording & reproducing equipment, is making a public offering of 142,666 shares of common (priced at \$3.50 a share) through D.A. Lomasney Co. as underwriter. Proceeds will be used to reduce Rek-O-Kut's debt and to finance the tooling & production of new types of components & equipment. The underwriter firm is offering an additional 71,334 shares, for certain Rek-O-Kut stockholders.

Beckman Instrument Inc. sales are running at an annual rate of \$55 million, compared with \$44.9 million in the fiscal year ended June 30, Pres. Arnold O. Beckman told the annual meeting last week. The outlook for improved sales & earnings in the current fiscal year, he said, "is very promising as far as we can see now." For the first fiscal quarter ended Sept. 30:

	1959	1958
Sales	\$12,600,000	\$10,200,000
Net income	623,000	619,000
Earned per share	46¢	45¢

Electronics Capital Corp., San Diego small-business investment company headed by Charles E. Salik, has purchased \$400,000 seven-year debentures convertible into 47% of the common stock of General Electrodynamics Corp., Garland, Tex. GEC claims to produce 75% of all vidicon TV camera tubes, also makes radar scan-converter tubes under prime contract to FAA.

International Telephone & Telegraph reports increased earnings for the 9 months ended Sept. 30:

	1959	1958
Sales & revenues	\$546,335,941	\$491,008,965
Profits	19,001,874	18,014,686
Earned per share	1.25	1.25

Loral Electronics Corp. was admitted last week to trading on the American Stock Exchange. Symbol: LOR.

Correction: Meredith Publishing Co. owns WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City. Taft Bestg. Co. owns WKRC-TV & WKRC Cincinnati, WTVN-TV & WTVN Columbus, WKYT Lexington, WBIR-TV & WBIR Knoxville. Some Taft stations were erroneously included in the list of Meredith holdings in last week's issue.

Reports & comments available: Motorola, review, L. F. Rothschild & Co., 120 Broadway, N.Y. 5 . . . Philco, comments, Walston & Co., 120 Broadway, N.Y. 5 . . . P. R. Mallory, review, Fahnestock & Co., 65 Broadway, N.Y. 6 . . . Paramount Pictures, comments, H. Hentz & Co., 72 Wall St., N.Y. 5 . . . AT&T, prospectus, Morgan Stanley & Co., 2 Wall St., N.Y. 5 . . . Rek-O-Kut Co. Inc., prospectus, D. A. Lomasney & Co., 39 Broadway, N.Y. 6 . . . Digitronics Corp., Granberry, Marache & Co., 67 Wall St., N.Y. 5 . . . Electronic Specialty Co., profile in Nov. 14 *Business Week* . . . GT&E and Fairchild Camera & Instruments Corp., profiles in Nov. 15 *Forbes*.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
American Bosch Arma .	—	\$0.30	Dec. 31	Dec. 10
AT&T	Q	.82½	Jan. 11	Dec. 10
Bulova Watch Co.	—	.15	Jan. 15	Dec. 24
Burroughs	—	.25	Jan. 20	Dec. 24
Canadian GE	Q	2.00	Jan. 4	Dec. 15
Canadian GE	Ex.	4.00	Jan. 4	Dec. 15
Famous Players Canada	Q	.37½	Dec. 11	Nov. 25
Gabriel	—	.15	Dec. 15	Dec. 1
Globe-Union	Q	.25	Dec. 10	Dec. 2
Globe-Union	Ex.	.25	Dec. 10	Dec. 2
Hazeltine	Q	.20	Dec. 15	Dec. 1
Hazeltine	Stk.	.02%	Dec. 15	Dec. 1
Hoffman	Q	.15	Dec. 31	Dec. 11
Loew's Inc.	—	.30	Jan. 15	Dec. 22
Meredith Publishing ..	Q	.45	Dec. 11	Nov. 27
Standard Coil	Stk.	.03%	Dec. 31	Dec. 15
20th Century-Fox	Q	.40	Dec. 26	Dec. 11

AB-PT anticipates that 4th-quarter "gross income will be at record levels" and earnings will be "substantially better" than the 1958 quarter's \$1,224,000 (27¢ a share), Pres. Leonard H. Goldenson told the N.Y. Society of Security Analysts last week. Net operating profit for the first 9 months ended Sept. 30 was 26% higher than in the same 1958 period (Vol. 15:44 p22). Goldenson noted that the TV network had 90 advertisers this fall, compared with 60 a year ago; that the firm's second biggest money earner, the movie-theater business, is ahead of last year; that AB-PT will reduce its movie-theater holdings eventually from the current 500 to 350-400. He pointed out that the "ABC radio network is not showing a profit, as is the case with all radio networks, but the deficit this year will be cut when compared with 1958." He also told the Security Analysts that ABC's network TV ad rates are 25% to 30% lower than those of CBS & NBC.

Allied Artists Pictures Corp. tallied a 5½-fold profit increase (Vol. 15:46 p24) in fiscal-1960's first quarter ended Sept. 26, Pres. Samuel Broidy announced at the company's annual meeting. He also noted that Oct. "has shown a black figure from unofficial computations," and forecast "a reasonable black figure" for the current quarter. For the first fiscal quarter ended Sept. 26:

	1959	1958
Gross income	\$5,241,000	\$3,929,000
Net income	652,600	120,200
Earned per share	72¢	12¢
Shares outstanding	888,855	878,256

20th Century-Fox Film Corp. net income dropped to \$1,159,662 (49¢ a share) in the 13 weeks ended Sept. 26, compared with \$1,357,982 (58¢) in the year-ago period. Revenue & earnings showed a greater decline for the 39 weeks ended Sept. 26:

	1959	1958
Film rentals, etc.	\$85,933,864	\$94,136,723
Net income	2,930,532	6,590,991
Earned per share	1.25	2.87
Shares outstanding	2,338,536	2,293,186

Filmways Inc. reports lower earnings on increased revenues for the year ended Aug. 31, as compared with the preceding year (1958 share earnings & shares outstanding adjusted to reflect stock dividend & split):

	1959	1958
Revenue	\$4,448,650	\$3,758,317
Net income	190,537	224,870
Earned per share	43¢	73¢
Shares outstanding	447,986	307,076

CBS Inc., whose record 9-month sales & earnings were reported here last week (Vol. 15:46 p22), gives this breakdown for the 13 weeks ended Oct. 3, 1959 as compared with the 14 weeks ended Oct. 4, 1958:

	1959	1958
Net revenues & sales	\$103,201,938	\$99,305,548
Net profit	4,178,063	4,000,906
Earned per share	51¢	51¢

Foreign

India's first TV station is now on the air in New Delhi. The 500-watt transmitter, programmed by govt.-owned All India Radio, is on the air 2 evenings a week. The station has 4 camera chains and is being received initially by 35 sets installed in public places throughout the city.

Russia has increased TV production goals for 1961 in a new 3-year plan designed to step up output of all consumer goods. The official Soviet announcement revealed that 1958 TV output totaled 979,300 sets and that the 1961 goal is 1,928,000.

U.S.-Foreign TV Views: As U.S. networks edged cautiously toward more editorial control of program content last week, unanimous approval of the "magazine concept" of TV advertising was voiced in N.Y. by leading French, British & German TV executives at an Academy of TV Arts & Sciences seminar Nov. 17. Pierre Crenesse, dir. for North America, Radiodiffusion-TV Francaise; Norman Collins, deputy chmn., Associated TV Ltd.; and Peter Von Zahn, U.S. correspondent Nord-West Deutsche, Fernsehen, were the foreign guests favoring a "no-sponsorship position on a 6-man ATAS panel. Other panel members included Wallace Ross, TV consultant recently returned from an Iron Curtain tour; Alfred R. Stern vp, NBC Enterprises; Don Hewitt, producer-dir., CBS News. Highlights:

Crenesse on French TV: "Commercial TV in France would not be feasible," Crenesse said. "Our total TV-radio budget is 32 billion francs a year, while advertising could bring in only 4 billion." He voiced opposition to the American form of TV advertising, but said he favored a commercial TV with "3 commercial min. per hour, no sponsor say about programming, and advertising being handled directly by French TV, not through an agency." French TV, supported by a \$12 annual tax of each set owner, won't go commercial for many years, he predicted. Programming is "50% live, 44.6% film and 5.4% Eurovision." (Eurovision, "which originated in France in 1954," consists of French, English & German programming, has 12 subscribing nations "with the Soviet joining next month.")

Collins on British TV: Explaining the development & growth of Britain's magazine-concept commercial TV system (11 contractors, franchised for key TV areas to provide programs & sell advertising aired on a single independent channel) as "a reflection of the English love for compromise," Collins stated it had worked out very well indeed. He foresaw no change in the future either, even in the event of a 3rd TV channel, because of the classic dislike of the British "to change something that they have learned to live with." Independent TV profits (not gross) last year, Collins stated, were "around 15 million pounds" (some \$41 million). He reiterated his hope for a transatlantic TV link (Vol. 15:46 p14).

Von Zahn on W. German TV: German TV is on "a high level, with emphasis on opera, cultural programs & children's shows," although he admitted the present patchwork system reflects the philosophies in different German zones of the occupying countries. In any event, he doubted there will be any change in the present policy of "having sponsors without programming say." There are 3.5 million sets in W. Germany, with 10 million expected within 2 years.

Ross on the Soviet: "They have ambitious TV plans, and we must compete with them or join them," said Ross, who described incidents on a survey tour of Czechoslovakia, Poland & the Soviet Union. By 1961 Russia expects to have an interconnected non-commercial network within the Soviet Union, Budapest, East Berlin, Prague and Warsaw as well as a hookup to Nordvision (Scandinavia).

Stern, speaking on the world market for US. product, suggested that "If we're going to exchange programs and expand overseas, we must put foreign entertainment shows on local stations here." Film programming, used for economy by most countries, works against our best interests because film tends to create quota problems.

Hewitt, in discussing the networks' efforts to report news, via tape, the same day an event occurs in Europe, announced that CBS is outfitting a DC-4 with 3 live cameras and an Ampex recorder to cover President Eisenhower's tour next month.

Educational Television

Nationwide ETV network which will enable a single gifted teacher to instruct 100,000 students simultaneously was envisioned by RCA Chmn. Gen. David Sarnoff last week in an address before the Rockhurst College Honorary Directors Assn., where he received the Rockhurst Chancellor Award for "outstanding service to humanity." Through ETV, he said, "it may be possible for those who—for one reason or another—cannot enter college, to earn a college degree in their own homes . . . The day will come when there will be a nationwide TV network devoted exclusively to education. The basis for it already exists in the 43 non-commercial educational stations now in operation."

TV-teaching of foreign languages has the blessing of a top Canadian educator, who suggests that "TV could be the answer to the shortage of French [and other language] teachers." Dr. Robert Gauthier, French studies dir. of the Ontario Dept. of Education, has co-developed a casual teaching system used in CBC-TV's daily 15-min. *Chez Helene*. The TV "teacher," actress Helene Baillargeon, converses in French with 2 children & a puppet.

Westinghouse's "Stratovision" role in the flying-ETV program of the Midwest Council on Airborne TV Instruction (Vol. 15:42, p3) is spotlighted in the Oct. Westinghouse *Record* newsletter for stockholders.

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ETV AID BILLS REVIVED: The House Commerce communications & power subcommittee is dusting off 8 federal-aid-to-educational-TV bills it shelved in June (Vol. 15:23 p2)—and Chmn. Harris (D-Ark.) plans "action" on them soon after Congress convenes again in Jan.

Leading up to another go at the legislation for gov't. subsidies, 2-man teams of the 8-member subcommittee are conducting field trips to ETV installations and holding on-the-spot hearings in 9 states to gather grassroots notes on ETV operations & problems. Their schedule winds up Dec. 8 in Miami (WTHS-TV).

"Upon conclusion of these hearings it is anticipated that at the beginning of the next session of Congress the subcommittee on communications & power will take up the several educational TV bills on which the subcommittee has held hearings," Harris told exec. dir. Ralph Steetle of the Joint Council on Educational TV.

"At that time the subcommittee's hearing record and any additional information gathered during the field hearings will be considered by the subcommittee with a view to taking action on the pending legislation."

On the action agenda then will be 7 House bills & a Senate-approved measure (S-12) by Senate Commerce Committee Chmn. Magnuson (D-Wash.) for outright \$1 million gov't. grants to each state and the District of Columbia for purchase of ETV equipment.

The subcommittee's field schedule so far has taken in Lincoln, Neb. (KUON-TV), San Francisco (KQED), Denver (KRMA-TV). Other ETV bases to be touched on the road to Miami: Seattle (KCTS), Chapel Hill, N. C. (WUNC-TV), Atlanta (WETV), Birmingham (WBIQ), New Orleans (WYES-TV), Tampa-St. P'burg (WEDU).

In addition to Harris, subcommittee members are Reps. Bennett (R-Mich.), Rogers (D-Tex.), Younger (R-Cal.), Flynt (D-Ga.), Avery (R-Kan.), Moss (D-Cal.), Rostenkowski (D-Ill.).

Second year of teleclasses for some 100,000 elementary & secondary students in 50 San Francisco school districts is now issuing from educational KQED. Approximately 4,000 teachers are utilizing 8 TV classes which are being offered Mon. thru Thurs., a.m. & p.m. Five of the teleclasses are being video-taped to permit re-runs and to provide school districts with greater scheduling flexibility. The TV courses are planned by KQED's curriculum advisory council, which comprises a representative of each contracting school district. The teleclasses are conducted by the station's team of teachers. School districts subscribe to the ETV service at the rate of 60¢ per student. Subjects range from math, science and Spanish instruction to current events, teen-age problems, basic driving techniques.

NAEB's 500th individual member came into the fold recently: Dr. V. A. Champa, audio-visual instructional services dir. of Pa. State Teachers College. He was awarded a year's membership. "Individual" is one of several NAEB membership categories. The others: Institutional—TV-radio broadcasters (152 members); Associate—ETV-program producers or operators of CCTV for direct teaching (112); Affiliate—groups interested in advancing ETV (63); Industrial Associates—firms that make or sell broadcasting equipment (8).

Teleguides outlining the plots & literary significance of NBC-TV's presentation of Shakespeare's "The Tempest" (Feb. 3, 1960), are being distributed as classroom aids by sponsor Hallmark and *Scholastic* magazine, to 160,000 English & drama teachers.

WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

Stations

FTC LEADS OFF in TV-radio offensive by govt. in wake of quiz scandals, summoning broadcasting brass to Dec. 2 showdown "to strike deception" from air (p. 1 & 11).

CODE RECRUITS ENLIST for TV's self-control-vs.-govt.-regulation fight; 15 new members subscribe to NAB's advertising-programming rules, bringing total to 282 (p. 7).

FCC

STAGE-SETTING FOR HEARING on programs proceeds at FCC. Non-broadcast witnesses expected first; heavy pressure on commercial excesses anticipated (pp. 2 & 4).

\$2.5 MILLION FCC UHF RESEARCH pushed after Budget Bureau approves funds. Comr. Lee is sparkplug of the drive, which has fair chance of green light from Congress (p. 2).

Congress

PAYOLA PARADE CONTINUES as House probes plan move to N.Y., to investigate TV performers in music field; DA Hogan subpoenas Alan Freed; disc jockeys resign or get fired in cross-country actions (p. 4).

Advertising

DON'T FORGET PROGRAM COSTS when you're trying to find the real extent of network TV in national advertiser spending. Listing only "gross network time" shortchanges TV (pp. 3 & 10).

Programming

WHAT TV-Q DOES is discussed by researcher Henry Brenner; his service tends to predict which shows will be hits, which flops (p. 8).

Manufacturing & Distribution

HOTEL-TV FIELD SMALL BUT HUMMING: Business is booming for 10 top TV suppliers & installers who report gains of 20% to 300% this year over last, foresee bigger market in 1960 (p. 16).

STEREO INFORMATION CAMPAIGN may be undertaken by EIA to help clear up public & dealer misunderstanding. New EIA phono section organized (p. 17).

POWER FROM NOISE is claimed for new semiconductor device, whose developers say it will make possible cheap 24-in. TV set drawing only 1½ watts of power (p. 18).

RADIO IMPORTS SOAR as 9-month shipments of Japanese sets to America equal 60% of radios manufactured in U.S. (p. 18).

Networks

LARMON'S SUMMIT MEETING proposes the 3 networks agree to an outside "Citizen's Committee." Plan not acceptable (p. 5).

NET TV UP SHARPLY IN SEPT. as national ad volume gains 15% over Sept. 1958. Latest index shows TV 16% ahead (p. 6).

Auxiliary Services

FCC COOL ON CATV ACTION, reportedly deciding no further Commission proceedings are warranted. Denver discussion of "ad hoc" group concept undecided (p. 12).

Film & Tape

TWO 60-MIN. SHOWS BITE THE DUST and another is wobbly as season moves on (p. 13).

Other Departments

EDUCATIONAL TV (p. 11). **PERSONALS** (p. 15). **FINANCE** (p. 19).

FTC LEADS OFF IN TV-RADIO OFFENSIVE: The first of 4 zero hours in govt. assaults on TV & radio programming-advertising-payola will strike for broadcasters this week.

Biggest brass in industry will be confronted Dec. 2 by Federal Trade Commission, whose Chmn. Earl W. Kintner called extraordinary conference "to devise better & faster means of enforcing the present laws to stop false & misleading advertising on TV & radio."

Four-pronged govt. attack will then be carried forward by FCC, which starts wide-open hearings Dec. 7 on programming and Commission's powers to oversee it (see p. 2).

Then come 2 new waves of trouble for broadcasters from always-threatening Capitol Hill. House Commerce legislative oversight subcommittee, fresh from its quiz hearing triumphs (Vol. 15:41-45), mobilizes again Dec. 9 for upcoming payola probe, which already has set off explosive dismissals of disc jockeys from stations (see p. 4). Senate Commerce Committee Chmn. Magnuson (D-Wash.) will follow up with early-Jan. disciplinary showdown with industry representatives, FTC & FCC (Vol. 15:47 p5).

And looming darkly ahead for all broadcasting is 2nd session of 86th Congress opening in Jan. If pre-session talk is carried through by legislators, there'll be unprecedented bombardment of bills to tighten govt. controls over TV & radio—prohibiting program frauds, outlawing payola, licensing networks, etc., etc.

Renewed crusade by Sen. Monroney (D-Okla.) against rating systems may be part of it. Systems were attacked again last week as "mumbo-jumbo" by MBS's Hurleigh, blamed by Rep. Kowalski (D-Conn.) for "such deceit as TV quiz fixing," defended by Trendex Pres. Edward G. Hynes as statistical guides, which shouldn't be "tarred by a stick wildly swung around."

FTC "is poised to strike deception with the full force of the laws it administers," Chmn. Kintner said in summoning broadcasting chiefs to its boardroom-like Room 432 of FTC Bldg. at 10 a.m. Dec. 2 (after first setting Nov. 30 date). He had assurances last week that these will be on hand: CBS Inc. Pres. Frank Stanton, NBC Pres. Robert E. Kintner, AB-PT Pres. Leonard H. Goldenson, MBS Pres. Robert F. Hurleigh, NAB Pres. Harold E. Fellows, TV Code Review Board Chmn. Donald H. McGannon who heads Westinghouse Bcstg. Co. In face of common dangers, Stanton, Kintner, Goldenson and other TV network chiefs huddled privately in N.Y. Nov. 13 with Y&R's Sigurd S. Larmon to discuss common strategy, but reached no agreement, it was disclosed last week (see p. 4). Special meeting of NAB's 43-member board has been called for Dec. 4 in Washington's Shoreham Hotel by Fellows to "consider legislative & regulatory matters." No. 1 agenda item for TV Board at session: proposed Code amendments to prevent recurrence of quiz scandals (Vol. 15:47 p3). Attorney Gen. William P. Rogers reviewed situation at informal meeting with FCC members last week.

"Industry must stand ready to assist" in cleaning up frauds on air, FTC's Kintner warned in his summons to the closed session. Attending it as observers will be representatives of FCC and Justice Dept. The latter contemplates possible criminal action against connivers in rigging of TV quiz shows (Vol. 15:47 p5).

Kintner is "most hopeful" that TV-radio self-regulation can stem Congressional demands for more laws, he said later. Citing "hard-hitting appeals for industry self-reform" by broadcasters themselves, the FTC chairman told Chicago meeting of professional advertising fraternity Alpha Delta Sigma that these industry efforts—"coupled with vigorous govt. enforcement within the framework of existing laws"—may resolve problem. Assn. of National Advertisers was warned by Kintner that FTC "is not going to let go of this thing until it is cleaned up," however (see p. 11).

STAGE-SETTING FOR HEARING ON PROGRAMS: FCC's TV-radio programming inquiry, starting Dec. 7, could turn out to be one of most significant Commission proceedings on record. There's a deep stirring and concern at FCC and in industry, as the badgered Commissioners prepare their questions.

FCC issued a list of 52 organizations & individuals who have said they want to appear (for names, see p. 4). It's good cross-section of industry and non-industry groups, certainly should give Commission plenty to chew on. Non-industry witnesses will take stand first. Commission has set aside Dec. 7-11, will give more time if needed, conducting the sessions in Hearing Room B, Interstate Commerce Commission Bldg., 12th & Constitution Ave.

The inquiry is so broad (Vol. 15:47 p2) that there's no telling how it will develop. One thing is certain, however: Heavy pressure on "objectionable" & "excessive" commercials. Chmn. Doerfer, who abhors "the spectre of a bevy of govt. clerks blue-penciling programs," also said: "But I hasten to add that commercial utterances such as advertising are not entitled to First Amendment protections."

Today's crisis is reminiscent of the clutch of fear that shot through the industry in 1951 when FCC suddenly decided that TV programming was way off base (Vol. 7:45). It was the day of the 30-min. hard-sell pitchman, off-color jokes, deeply plunging necklines. After weighing staff's recommendation that all 107 stations be given temporary renewals, Commission decided instead to call an all-industry programming conference. Conference never came off, but industry got busy and formulated the code. Whole thing was largely intramural, however—nothing like the quiz scandals.

\$2.5 MILLION FCC UHF RESEARCH PROJECT PUSHED: A surprising FCC-sponsored \$2.5 million uhf TV research program during fiscal 1961 (year starting July 1, 1960) has received approval of Budget Bureau, awaits President Eisenhower's endorsement.

Details of budget are supposed to be secret until President makes formal announcement, but word of uhf project leaked out. Budget Bureau approval doesn't mean that project is set—because Congress still must vote the funds—but it's a giant step. Chances in Congress would seem at least fair. For one thing, Sen. Magnuson (D-Wash.), chmn. of Commerce Committee who has frequently urged FCC to sponsor such research, is chmn. of an Appropriations subcommittee responsible for funds for FCC & other independent agencies. For another, project was pushed before Budget Bureau by uhf enthusiast Comr. Lee who once headed House Appropriations Committee staff and retains warm connections with committee members.

Uhf project would be carried out by educational institution or similar organizations, not by FCC's limited staff. Program FCC has in mind is understood to be primarily a test of "multicasting"—the use of several transmitters per station to achieve the wide coverage & big-city penetration now accomplished by vhf. In addition, FCC contemplates a study of uhf receiver improvement—using parametric amplifiers, tunnel diodes, digital systems, etc. In fact, the program is much in line with recommendations by FCC technical research chief William Boese & Bureau of Standards engineer William Coombs (Vol. 15:42 p9).

Costs of multicasting tests, included in uhf project, were once obtained from networks. FCC had asked all 3 to cooperate in N.Y. multicasting experiments, but networks begged off because of costs.

It's understood Budget Bureau is considering substantial cuts in balance of budget submitted by FCC, and Commission is trying to get funds restored. Size of budget, in addition to uhf project funds, hasn't been disclosed, but it's presumed to be considerably more than the \$10,550,000 it received for fiscal 1960.

HARRIS POSTSCRIPT ON QUIZ FIX: Unexpected pat-on-back for TV came last week from Congressman who has probably done more to stir things up in television than any single govt. official in history—Oren Harris (D-Ark.), Chmn. of House Commerce Committee and head of recent quiz probes.

Snared for 10 p.m. prime-time TV interview by KOTV Tulsa's Roger Sharpe, Harris faced film camera, stated flatly he felt quiz scandals were "not at all" representative of TV, and that "TV industry is predominantly honest." Further quiz hearings, Harris also stated, were "unnecessary," since he felt House probes had "established the pattern" of quiz cheating.

Harris denied headline-hunting with quiz probe, admitted that consumer press was blowing it up into "highly sensitive area." Had he been putting the finger on disc jockeys in payola checkup? Snapped Harris: "I have a policy of not making public statements until I know what we're getting into."

No great damage has been done to TV by the quiz headlines, Harris told Tulsa TV viewers. "I think the broadcasting industry, in general, is just as strong within its community, and in terms of its responsibility to the American people, as it has ever been." Will the quiz circus help him politically? Harris smiled, parried: "That will have to be determined as time goes on."

Filmed 20-min. session was syndicated promptly by KOTV to other stations in Corinthian Bcstg. Corp. group, after newsman Sharpe flew back to Tulsa from Little Rock, Ark. Portions of it were borrowed for showing on CBS-TV o&o WCBS-TV N.Y. local newscasts—but most of press merely ignored Harris' comments, and waited for next round of probes.

ABSENT-MINDED MEDIA COMPARISONS: TV is periodically short-changed in comparative lists showing media expenditures of leading advertisers. What's usually left out of the count is a vital figure: the cost of programming & production, apart from the cost of time. Even TvB reports in this form, although that enterprising organization certainly has only the best interests of the medium at heart. But production costs are actually necessary for proper evaluation of network TV position in advertising. Reason: it's the one medium in which cost of the ad (commercial & program) often rivals cost of raw space (time) in which to house it.

Gross time spending is usual yardstick for network TV in all-media lists—with few exceptions—prepared by promotion bureaus, publications, agencies, research firms, individuals. (A notable exception: the McCann-Erickson-Printers' Ink tabulations; see Television Factbook No. 29, p. 22.) Same thing applies to spot TV, although the difference between listed figures & reality is not so acute since production costs are spread over much wider area as compared with time costs.

Usual excuse from researchers has some merit, we must admit. "Since reporting on media spending is done in the same way year after year, the differences in levels are what really count, not the figures themselves," say slide-rule experts. This would be nice if it ended there. But non-TV media represented on such lists tend to whoop up a slight dip in TV spending by individual sponsors—a dip that might be more than covered by increases in production spending. It's high time the real story was told, particularly in a season when network TV program costs are reaching an all-time peak.

Ratios of program to time cost vary (see page 10) but generally speaking, network executives figure program prices are up 4-10% in most routine categories this season. And specials are in a class by themselves. For routine shows, when gross network time is reduced by the usual discounts (at least 15%, and often 25%) and conservative program net-to-advertiser production prices are added, TV shoots up beyond the present boundary of supposed network spending by more than a third.

The FCC

More about

WHO'S WHO IN FCC INQUIRY: The FCC sounded pleased with the turnout its TV-radio programming inquiry has stimulated (see p. 2), congratulating the 52 who have filed appearances to date for "their willingness to expend time & effort in this very important proceeding." The Commission hasn't indicated when each will appear; it said it would do so later. Here's the list, as published by the Commission:

National Council of Churches of Christ in the U.S.A.
 National Catholic Welfare Council
 Union of American Hebrew Congregations
 Jewish Theological Seminary
 National Congress of Parents & Teachers
 American Assn. of University Women
 American Civil Liberties Union
 National Grange
 National Farmers Union
 General Federation of Women's Clubs
 National Assn. for Better Radio & TV
 National Council of Women
 Federal Communications Bar Assn.
 American Medical Assn.
 National Education Assn.
 National Assn. of Educational Bcstrs.
 Educational TV Council
 Joint Council on Educational TV
 Greater Washington Educational TV Assn.
 National Educational TV & Radio Center.
 Norman Cousins, *Saturday Review of Literature*
 William F. Buckley, *National Review*
 John Fischer, *Harpers Magazine*
 Prof. Gilbert Seldes, dir., Annenberg School of Communications,
 U. of Pa.
 Prof. William Y. Elliott, Harvard U.
 Prof. Charles Siepmann, NYU
 Prof. Reuel Denny, U. of Chicago
 Eric Larabee, exec. editor, *American Heritage*
 Prof. Paul Lazarsfeld, Harvard U.
 Rev. William Lynch, Georgetown U.
 Prof. Sydney W. Head, U. of Miami
 Theodore Peterson, U. of Ill.
 Prof. Ronald Coase, U. of Va.
 Prof. Percy Tannenbaum, U. of Wis.
 Prof. Ithiel Poole, MIT
 Msgr. John McCafferty, Catholic U.
 Assn. of Better Business Bureaus
 TV Code Review Board, NAB
 Assn. of National Advertisers
 American Assn. of Advertising Agencies
 Advertising Federation of America
 NBC; CBS; ABC; MBS
 Westinghouse Bestg. Co.
 NAB
 ASCAP
 Sigma Delta Chi
 Philip Cortney, pres. of Coty Inc.
 Storer Bestg. Co.
 WWLP, Springfield, Mass.

Others filing, though not included in the FCC's list: Pierson, Ball & Dowd (law firm); Sharfeld & Baron (law firm); NBC-TV Affiliates Committee; Peoples Bestg. Co. (KTVT Sioux City, etc.)

All-network Conelrad briefing for personnel of all TV, AM & FM stations will be carried this week via closed circuit from Washington. FCC defense Comr. Lee has asked gen. mgrs. of all network-affiliated outlets to stand by for the special program, which will be transmitted Nov. 30-Dec. 4 by CBS, NBC, ABC and MBS at times chosen by the networks. Lee also asked the stations to provide non-network outlets with tapes of the briefing, conducted by FCC's national industry advisory committee in cooperation with FCC, Office of Civil & Defense Mobilization and Defense Dept. to explain "broadcasters' responsibilities & obligations" in the national emergency communications setup. He suggested that the stations invite local & state advisory committee members and civil defense representatives to sit in with station personnel for the closed-circuit program. In another move to strengthen Conelrad, FCC has approved for distribution an interim outline of a printed guide on *Functions & Responsibilities of State Industry Advisory Committees*.

Congress

Payola Parade: There was no doubt about it last week—the nation's disc jockeys, music publishers, recording officials and musical performers discovered they had replaced quiz contestants, producers and large-budget advertisers as the latest group to be herded into the "circus maximus" of public probes (see p. 1).

Even the locale of the spectacle was shifting. Robert W. Lishman, chief counsel of the House subcommittee on legislative oversight, announced he would move his payola investigations to N.Y. Dec. 1 to interview music industry figures in a search for an activity pattern in pay-for-play music & record plugs. Also due to be probed by Lishman will be the sideline activity of TV performers in music publishing & the recording field.

As a warm-up to this main event, the pace of payola probes in N.Y. was quickening. DA Frank S. Hogan served a Grand Jury subpoena on Alan Freed, one of the industry's top disc jockey names, Nov. 25 as he finished a local dance-party program on N.Y.'s WNEW-TV. (Freed had been fired officially by WABC Nov. 21, after refusing to sign an I-never-took-payola pledge, and had agreed to end his WNEW-TV contract "by mutual consent" Nov. 23).

Freed was hardly pleased at being the center of so much attention. He had refused to sign the payola pledge at WABC, he said, because it was "an insult," and had taken time during a local N.Y. radio interview to differentiate between in-front payola and after-the-fact gifts & Christmas loot from record firms.

Detroit & Philadelphia Walkouts

Also fired last week was WJBK Detroit disc jockey Tom Clay who admitted taking nearly \$8,000 worth of payola annually "but only when it was urged on him." Said Clay: "It is part of the business." Also on the motor city station, WJBK disc jockey Don McLeod resigned in a huff, becoming the 3rd platter-twirler to leave the station in a 36-hr. period. In Philadelphia, WIBG's Joe Niagara also joined the walk-out parade. For the benefit of N.Y. listeners curious about the payola position of WMCA personalities, the independent radio outlet aired spot announcements urging dialers "who have any questions about WMCA's music policy" to write in for details.

In Chicago, another local-level payola investigation began to develop Nov. 24 when the Cook County attorney's office promised to "cooperate fully" with the House special subcommittee study. Chief Investigator Paul Newey said WAIT personality Phil Lind has already been contacted. Lind's tape interview with the owner of a small record label allegedly uncovers payola demands made by several Chicago disc jockeys.

Further west, Twin Cities columnist-disc jockey Bill Diehl defended Minneapolis-St. Paul record spinners "who are not on the take," but urged a Congressional payola probe to uncover those disc jockeys in the U.S. "who have betrayed themselves and their public," and accept payola.

There is some likelihood of a Hollywood counterpart to the Washington & N.Y. payola probes. At least 2 investigators from Harris's subcommittee are due in Hollywood this week, at which time they'll begin a probe of West Coast payola activities. DA William McKesson has stated there is no Cal. state law to prevent payola (Vol. 15:47 p17).

Tunesmith Meredith Willson ("The Music Man"), scheduled to host the "Grammy Awards" show on NBC-TV

Nov. 29, expressed to TV columnist Marie Torre last week what he believed was at least one positive virtue of the payola probe. It revealed clearly, he stated, "that the popularity of rock & roll is artificially induced." The Grammy Awards voting in the National Academy of Recording Arts & Sciences (with winners ranging from Nat King Cole to the Mormon Tabernacle Choir) was proof, Wilson added, that "quality wins out all the time."

Meanwhile, the American Guild of Authors & Composers, which had spurred the House Commerce legislative oversight subcommittee into payola probes (Vol. 15:45 p1), shot off a letter to FCC asserting that suspect disc jockeys are displaying "merely a symptom of a disease." Guild Pres. Burton Lane said: "The disease itself is the involvement of the entire broadcasting industry, including the networks & local stations, in a deliberate & successful distortion of music programming for their own financial gains." Lane said he was talking about broadcaster-supported BMI, Am-Par Record Corp., CBS's Columbia Records.

Successor to Anti-BMI Group

Citing similar charges, the Guild and its predecessor Songwriters Protective Assn. (composed of ASCAP members) tried in Washington last year to push through legislation divorcing TV & radio from the music publishing & recording business. Their anti-BMI bill (S-2834) ended up in a pigeonhole after prolonged hearings by the Senate Commerce communications subcommittee (Vol. 14:30 p9).

"Misdeeds of a few disk jockeys should not be allowed to blacken the reputation of the entire radio industry," NAB Pres. Harold E. Fellows said in a Washington statement. He pointed out that station managements have "taken firm steps" against jockeys linked with payola. Fellows added that broadcasters generally shouldn't be held responsible for the practice—"just as I say that newspapers should not be condemned because from time to time, individual reporters admit that they are liars or have committed other misdeeds."

Among the "firm" corrective steps taken by stations: Storer Bestg. Co. is establishing a "quality control" board to monitor & report daily on all programming on the chain's TV-radio outlets (WJBK-TV & WJBK Detroit, WJW-TV & WJW Cleveland, WSPD-TV & WSPD Toledo, WAGA-TV Atlanta, WITI-TV Milwaukee, radio WIBG Philadelphia, radio KPOP Los Angeles, radio WWVA Wheeling, W. Va., and radio WGBS Miami). The program "reporters" will be stationed in the station cities but will report to TV-radio programming vps at Storer's home office. Storer Pres. George B. Storer said the "quality control" plan will go into effect as soon as proper personnel can be selected & "fully schooled in Storer policy, FCC & FTC regulations, NAB code regulations and other requirements necessary to do knowledgeable monitoring."

TV blackouts of professional football games within 75 miles of cities where college teams are playing will be urged at the next session of Congress by Sen. Kefauver (D-Tenn.). He said he will introduce a bill prohibiting such telecasts unless the colleges consent to the pro competition on home TV screens. Kefauver's Judiciary anti-trust & monopoly subcommittee already has approved a measure (S-2545) advocated by him to exempt pro football, basketball & hockey—but not baseball—from anti-trust laws so that club owners can control those telecasts which interfere with games in the minor leagues. (Vol. 15:36 p3).

Networks

LARMON'S SUMMIT MEETING: A proposal for a top-level "Citizen's Committee" to act as outside guardian of TV's standards of morals & taste emerged as still another attempt at TV self-regulation in the wake of the quiz scandals last week. Authored by Sigurd S. Larmon, chmn. of Young & Rubicam agency, the proposal even had its cloak-&-dagger aspects.

Larmon, whose agency is estimated to have billed \$102.5 million in broadcast media in 1959 and to rank in 3rd place among the top ad shops (after J. Walter Thompson and McCann-Erickson), arranged a meeting of top officials of all 3 networks in a N.Y. hotel suite Nov. 13. Under Larmon's proposal, a committee representing major segments of the industry (networks, sponsors, agencies) would nominate a group of outstanding citizens to act as a guiding hand.

Network officials attending the Larmon-arranged meeting soon divided in their reaction to the Y&R chmn.'s plan. Robert W. Sarnoff & Robert E. Kintner, NBC chmn. & pres. respectively, generally supported Larmon's views, and later announced that NBC planned to form its own advisory committee of leading citizens shortly. CBS Inc. Pres. Dr. Frank Stanton agreed that TV should stage its own cleanup or face govt. control, but in a follow-up letter to Larmon stated he had "grave misgivings" about the Larmon plan, principally on the question of whether responsibility for network program content could be passed to an outside group "without sacrificing our integrity." AB-PT Chmn. Leonard Goldenson & ABC-TV Pres. Oliver Treyz sided with Stanton in not wanting to delegate responsibility for TV practices to a non-network group.

Larmon himself appeared unruffled by the failure of his proposal to find immediate backers among leaders of the 3 networks. What he had really been trying to do with his network summit meeting, he indicated, was to "stimulate thinking" about TV's increased responsibilities in an era of tighter self-control.

NBC's Policy Ads: Quiz & other audience participation shows will continue on NBC-TV "for the millions who enjoy them—and who have a right to expect that we can & will safeguard the integrity of all our programs," the network stated in full-page Sunday ads in *The New York Times*, *The Journal-American* and Chicago, Washington, Detroit & Los Angeles papers Nov. 29 and *The Wall St. Journal* Nov. 30. Titled "A Statement on TV," the ad was signed by Chmn. Robert Sarnoff & Pres. Robert Kintner.

NBC "assumes complete responsibility to the public for what appears on the network . . . seeks to satisfy the widest possible range of program tastes & interests . . . has an obligation to provide entertainment & relaxation to millions of set owners as well as to inform & enlighten [and] proposes to keep 'blazing the trail' for color TV," the ads stated.

Sarnoff & Kintner urged viewers not to judge TV by the recent quiz scandals. "The shadow cast by a few men who poisoned a few defunct programs in a single narrow segment of programming has blacked out some remarkable achievements," stated Sarnoff, citing "the TV debuts of Ingrid Bergman, Lawrence Olivier and Alec Guinness" and various other NBC specials. "We will crack down on improper practices wherever they may appear in programming or advertising," the ad concluded.

Net TV Up Sharply In Sept.: The national ad volume romped to a 15% gain in Sept. over Sept., 1958, with all major media but network radio contributing strongly to the increase. The latest *Printers' Ink* index shows that network TV gained across the board—16% ahead of a year ago, 10% for year to date, and 6% in Sept. over Aug. The Sept.-over-Sept. gains were paced by magazines, up 21%, and newspapers, up 20%. Network TV, however, racked up the biggest Sept.-over-Aug. gain. Newspapers were up 4% total magazines down 1%. The poorest performances were scored by network radio: down 31% from a year ago, down 13% for year to date, down 5% in Sept. from Aug. Best performance: general monthly magazines—30% ahead in Sept. over Sept.; 18% ahead cumulatively; 5% ahead Sept. over Aug.

Medium	Index		% Change from 1 month ago	% Change from 1 year ago	% Cumu- lative Change
	Sept. 1959	Sept. 1958			
General Index	230	200	+ 2	+15	+ 8
Total Magazines	173	143	- 1	+21	+11
Weekly	190	157	+21	+ 9
Women's	118	107	- 8	+10	+ 9
General Monthly	235	181	+ 5	+30	+18
Farm	107	96	- 2	+11	+ 4
Newspapers	216	180	+ 4	+20	+ 7
Network Television	462	400	+ 6	+16	+10
Network Radio	20	29	- 5	-31	-13
Business Papers	241	218	+ 2	+10	+ 5
Outdoor	149	145	-10	+ 3	- 3

ABC-TV is leading by a hair in a close race among the 3 networks for top honors in Nielsen's 24-city rating reports on fully competitive TV areas. The measurements reflect viewing in about 40% of the nation's TV homes. For the week ending Nov. 15, the prime-time (7:30-10:30 p.m.) standing, in terms of audience shares between the networks, went like this: ABC-TV—30.6; CBS-TV—30.4; NBC-TV—29.7. Mathematically, it's a dead heat—for the first time—between the 3 networks, since the differences between the audience shares are within the "probable error" in ratings calculated by Nielsen. However, it reflects a 10% gain for ABC over the comparable week of a year ago and, according to ABC-TV researchers, points to a stronger showing in the national Nielsen measurements covering the first half of Nov.

Walt Disney Productions moved in N.Y. federal court Nov. 25 to take depositions of AB-PT Pres. Leonard Goldenson and 12 other ABC-TV executives in connection with a Disney suit against AB-PT. Disney is seeking an anti-trust action against ABC-TV for dropping *Zorro* & *Mickey Mouse Club*.

MBS added 8 affiliates last week. They are KLOQ Yakima, Wash.; KBKC Mission, Kan.; WROD Daytona Beach, Fla.; WGTM Wilson, N.C.; WESX, Salem Mass.; WORL Boston; WTWN St. Johnsbury, Vt. and WIKE Newport, Vt.

NETWORK SALES ACTIVITY

NBC-TV

Journey to Understanding—Vol. II, 7-part program covering President Eisenhower's trip abroad.
Brown & Williamson (Ted Bates)

Texaco Huntley-Brinkley Report, Mon.-Fri., 6:45-7 p.m., renewal through 1960.
Texaco (Cunningham & Walsh)

Jerry Lewis special, May 20, 1960, 8:30-9:30 p.m., first network venture for advertiser.
Proctor Electric (Weiss & Geller)

'Support Code,' Warns NBC: In still another move to tighten broadcaster control of programs & commercials before there's a concerted move toward more govt. control, NBC-TV last week told its affiliates flatly that they should get behind the self-regulatory NAB code, and stay there.

The no-nonsense stand of NBC in support of NAB was in the form of a letter to affiliate management from David C. Adams, senior exec. vp. Adams made it clear from the outset that his letter was intended "to underscore the importance of the NAB TV code as an embodiment of the concept of industry self-regulation."

To make the NAB code work (in terms of providing "balanced, diversified programming" and in eliminating anything that will "violate standards of good taste & integrity"), Adams offered a simple 2-point plan. All TV broadcasters, he stated, should subscribe to the code, and all should comply faithfully with "its standards & spirit."

The letter wasn't to be considered as a join-NAB-or-else order, Adams pointed out, adding that the whole idea of self-regulation could be destroyed by "pressured action." But Adams strongly urged non-NAB outlets to "weigh the position of broadcasting and your position in it, and make the right decision about subscribing to the code." There was little doubt any more about what NBC considered the "right decision" to be.

Adams' letter followed by less than a week the creation by CBS-TV of a new "program practices" dept. headed by vp Joseph H. Ream (Vol. 15:47, p3). It also served notice on Sen. Magnuson (D. Wash.), chmn. of the Senate Interstate & Foreign Commerce Committee who has stated he doubts NAB's Code is "adequate," that NBC has every intention of seeing that it is.

Flying tape studio, to be used by CBS News in covering President Eisenhower's trip through Europe & India and reported by us last week (Vol. 15:47, p23), was scheduled to leave N.Y. for London Nov. 30. The tape-equipped DC-4 is being operated for CBS by Mobile Videotape TV Co. (MVT-TV). It carries 20 passengers, 3 live cameras, U.S.-standard Ampex recorder, portable power plant and dormitory facilities for the CBS & MVT-TV crews. The tape equipment is ground-mobile, and will be transferred to recording trucks in Rome & New Delhi for on-the-scene coverage of the Presidential trip.

Single TV-radio rating service "such as publishers' Audit Bureau of Circulation" was proposed in Chicago Nov. 23 by MBS Pres. Robert F. Hurleigh. "In the past few years the use of the rating as a crutch has nullified Madison Ave.'s selling creativity," Hurleigh said. Ratings services "should consider developing a standard rating service that can check a larger percentage of the population than the 3/10,000 of 1% now providing the base."

CBC manual of video-tape charges to advertisers & agencies employing taping services at its Toronto & Montreal stations has been issued by the Canadian network. The rates cover video-tape recording & playback, tape-to-tape recording & dubbing, cutting & splicing, storage, other services. Copies of the rate manual are available on request from W. R. Johnston, CBC, Box 806, Ottawa, Ontario.

CBS-TV is negotiating with several oil companies for exploration under its Television City property in Hollywood. This makes it the second TV company to seek "black gold." Desilu Productions has a deal with Continental Oil for drilling of its studio acreage in Culver City. Continental also has MGM. And 20th Century-Fox has 26 wells.

Stations

Code Recruits Enlist: Responding to Nov. 18 closed-circuit pleas by NAB TV Code Review Board Chmn. Donald H. McGannon for more support from the industry (Vol. 15:47 p3), 15 new station members had joined up by last week's end for its self-control-vs.-govt.-regulation fight (see p. 1). The recruits in the wake of the TV quiz scandals swelled the number of Code subscribers to 282 (among 560 TV stations on the air).

Cheers at NAB headquarters for this surge of enlistments in the Code cause were modulated by some sour notes, however. Two Code subscribers resigned for "economic" reasons, explaining that it was pointless of them to pretend to observe rules on commercials while their markets are so thin that they must take nearly any business that comes their way.

And of 28 letters received from Code members commenting on McGannon's closed-circuit pitch, 25 were less than laudatory. (Some of them were highly critical, "to put it softly," one NAB staffer told us.) None of the 25 dissenting subscribers threatened to quit the Code now, but their letters said in effect: (1) Why do we have to pay money to subscribe to something we observe anyway? (2) The Review Board is getting pretty high-handed. (3) Nobody's going to tell us how to run our business.

Concurrence with FCC examiner Horace Stern's recommendations that WHDH-TV (Ch. 5) Boston keep its grant despite "influence" charges (Vol. 15:39 p1, 15:45 p10) has been recorded by the *Herald-Traveler* station. In a 27-page reply brief, WHDH-TV said that "none of the attacks made [by contestants Greater Boston TV Corp. and Mass. Bay Telecasters Inc.] on Judge Stern's opinion have the slightest merit." The brief argued that FCC "may best discharge its obligations under the Court of Appeals' remand by adopting Judge Stern's opinion as its own and so report to the court."

Protest of grant to KSWO-TV (Ch. 7) Lawton, Okla. to change power, antenna height and transmitter location should be dismissed, said FCC hearing examiner H. Gifford Irion in a recent initial decision. KFDX-TV (Ch. 3) Wichita Falls, Tex., had protested the July 29 grant on grounds of economic injury (Vol. 15:40 p5). Irion said that the protestant had "made charges which it has since failed to prove although it bore the statutory responsibility for going forward with the proof."

Terms of sale of KOVR (Ch. 13) Stockton-Sacramento to Metropolitan Bcstg. (Vol. 15:47 p9) were revealed in transfer papers filed last week. Metropolitan is paying Gannett Co. \$1,391,000 for 96% of stock of KOVR licensee Television Diablo Inc., also assuming payment of \$1,466,879 still owed Gannett by Diablo. Other 4% of Diablo stock is held by over 200 individuals.

Protest by WILX-TV (Ch. 10) Onondaga, Mich. to the Sept. 22 site-move grant of WOOD-TV (Ch. 8) Grand Rapids has been approved by FCC, and a hearing has been ordered. WOOD-TV had been granted a shift from 10 miles NE of Grand Rapids to 19 miles SE.

Fight over Flint's Ch. 12 moved another legal step last week when radio WFDF and W. S. Butterfield Theatres, which lost to WJRT in the Court of Appeals (Vol. 15:45 p10), petitioned for a rehearing before all 9 judges.

"Television's Adolescence: There are people in the television industry, so goes the rumor, who feel that the press exploited the quiz show scandals as an opportunity to discredit a competing medium of advertising. So, as a method of retaliation, some plan is reported under consideration within the television industry to discredit the press by seeking out and exposing its sins. If such rumors were true, it would be another indication that television is still in its infancy. Television, to be sure, should expose any practices of the press that warrant the sort of public censure which followed the exposure of fraud in the quiz shows. The picture of the press riding herd on television, and television, in turn, riding herd on the press, is not without its attractive possibilities. But if the motive is one of mutual disparagement for selfish gain the whole idea becomes rather ridiculous and, we are sure, is lacking in substance and unsupported by responsible people in television. As a matter of fact, many of television's current difficulties are the result of inexperience, the absence of adequate centralization of controls and an undeveloped sense of public responsibility. Such defects in the amazingly rapid development of a marvelous new means of communication are not surprising. They were evident, in other forms, in the early days of the movie industry. They were found not so long ago within a press that was further away from maturity than it is now. They will be overcome with age and a greater realization, by those who control television, of its splendid opportunities for constructive public service."—*Washington Star*.

Beating NBC-TV to gun against Gillette-sponsored Fri. night fight shows, which the network wants to drop because of falling ratings & public suspicions of pro boxing practices (Vol. 15:47 p9), WSAZ-TV Huntington-Charleston, W. Va. last week announced it's cancelling out. Pres. Lawrence H. Rogers II of WSAZ Inc., which also operates radios WKAZ Charleston & WSAZ Huntington, said that after Dec. 18 his stations no longer would carry the network fights because: "Boxing & wrestling—while popular program types—have been subjected to more speculation, charge & countercharge of alleged rigging, fixing, gambling, and payola, than even the broadcasting industry, and for a very long time." At the same time, Rogers said WSAZ Inc. had "confidence in NBC's programming judgment" and its action was no reflection on sponsor Gillette.

Transfer of J. H. Whitney's 5 TV & 6 AM stations to the New Cortelco Inc. (subsidiary of Whitney Communications Corp.) in a reorganization grouping Whitney's broadcasting & publishing interests (Vol. 15:43 p3), was approved by FCC last week. Also approved was the \$1,675,000 acquisition of 70% of WRGP-TV (Ch. 3) Chattanooga by WSTV Inc., which owned the other 30% (Vol. 15:43 p7). Comr. Bartley dissented to both actions.

Japanese TV tape recorder, claimed to be simpler than the Ampex & RCA approach and based on a different principle, will go into production this month, according to Tokyo Shibaura Electric Co. (Toshiba). Toshiba says the system uses a single revolving recording head, while the U.S. recorders use a recording drum of 4 heads.

RCA shipped 10-kw transmitter Nov. 25 to KXLF-TV (Ch. 4) Butte, Mont.; superturnstile antenna Nov. 24 to upcoming WGTV (Ch. 8, educational), which hasn't reported a target; monochrome TV tape recorder to KHQ-TV Spokane and KIMA-TV Yakima, Wash.

Truck-mounted Ampex Videotape recorder will be put into operation Dec. 1 by WTCN-TV Minneapolis-St. Paul.

Programming

WHAT TV-Q DOES: Of the 36 new nighttime network shows that debuted this season, 10 series—*Hennessey*, *The Rebel*, *Dobie Gillis*, *Bonanza*, *The Untouchables*, *Dennis the Menace*, *Laramie*, *Hotel de Paree*, *The Deputy* and *Bronco*, (not necessarily in that order) will be audience hits. On the sackcloth side of the research fence, 9 shows—*Troubleshooters*, *The Lineup*, *Charlie Weaver*, *Fibber McGee & Molly*, *Dick Clark's World of Talent*, *Dennis O'Keefe Show*, *Philip Marlowe*, *Revlon's Big Party*, and *Love & Marriage*—will be flops and are likely candidates for the axe.

These "qualified predictions" were tossed at N.Y. admen gathered for an RTES seminar luncheon Nov. 24 by Henry Brenner, ex-Standard Brands research executive who now heads the most-discussed & least-understood new TV research service—TV-Q. Sharing the luncheon double-bill with Brenner was Albert E. Sindlinger, who announced details of a Sindlinger plan to invade national TV audience measurement with an all-embracing new rating service.

Brenner, who told the TV-radio executives his service measured "individual viewer reaction to programs" rather than families or sets, admitted that a new formula, developed to relate the present like-dislike levels of TV-Q to future Nielsen audience shares, was "an imperfect service, making predictions about another imperfect service."

Program appeal today, he added, varies by many factors, including sex, age, husband's occupation, education, geographical region. Actual audience-size ratings of new shows do not necessarily show this. ("Sometimes, most of the audience is just watching the 'least unacceptable' show among 3 networks, and strong new competition could clobber it," he explained later.) There is also a new research area to be explored in charting the relationship of program appeal to product usage & buying.

Sindlinger Outlines New Rating Service

Veteran researcher Sindlinger took a different tack on the rating issue, when his turn came. Charging that the recent quiz scandal "was created by the insistence on high ratings at any cost," Sindlinger stated that "the broadcast rating appeals to most of us because we have educated & trained ourselves to over-simplification."

What Sindlinger will offer shortly is "our attempt to transfer the emphasis from size of rating to quality of rating." It will be a fast-service measurement ("within a week following the telecast") in most cases, covering such factors as: TV sets in use by section of the country, daily audience reports, national TV ratings, data on program selectors by sex & age, household & audience characteristics, in-home & out-of-home viewing data, and a special "custom series" of rating measurements including sponsorship identification studies.

Henry Brenner's TV-Q service is something of a Cinderella among veteran research firms like Nielsen, ARB, Trendex, Pulse and others. Now in its 3rd season, it counts among its subscribers all 3 networks and such major agencies as J. Walter Thompson, Benton & Bowles, BBDO, Ted Bates, Leo Burnett and Y&R.

Further background on the TV-Q service, which an NBC-TV research executive told us last week was "definitely gaining importance in our program decisions," was sketched for us by Jan Van Emmerik, who is gen. mgr. of TV-Q. HTI, the parent firm, was founded 8 years ago, but TV-Q was not born until the spring of 1957. In June

1958 the first commercial service began. Research is done in a national consumer panel of some 10-12,000 families divided into 12 matched groups, using mail-in ballots.

What TV-Q does is to measure public attitude toward specific programs on a 6-point "scale of preferences" ranging from "one of my favorites" to "never have seen." The final TV-Q rating is the percentage of respondents familiar with the program who consider it a favorite. TV-Q reports are prepared fairly quickly. Ballots are mailed on the first of the month, tabulating begins by the 15th and by the 21st reports are ready.

In themselves, the ratings thus achieved are interesting, but the real value of TV-Q, network & agency buyers told us, is in prediction. Almost immediately, researchers discovered a close relationship between audience like or dislike for network programs and the share-of-audience levels that the programs would draw in the future.

Predicted 1957 & 1958 Hits

TV-Q figures in the fall of 1957 showed that such shows as *Wagon Train*, *Leave It to Beaver*, *Have Gun, Will Travel*, *The Price Is Right* and *Maverick* would rise in the ratings to become hits. They did. Last fall, TV-Q figures showed similar promise for *The Rifleman*, *77 Sunset Strip*, and *The Lawman*, although TV audiences double-crossed researchers by not awarding rating accolades to *Yancy Derringer* and *Cimarron City*.

The growing popularity of TV-Q, Brenner & Van Emmerik told us, is closely related to the agency & network thirst for knowledge as to the validity of their program guesses. Most agencies can get within 75% accuracy in predicting Nielsen audience shares somewhere around the 7th or 8th week of a new show's run. TV-Q's box score, so far, is in the neighborhood of 80-90% accuracy, within 3 points of audience share.

As to pinpoint accuracy, TV-Q claims a score last fall of 43% of its share predictions having come within a single rating point—a strong indication of the general validity of its deceptively simple method.

There are, Brenner told us after the RTES meeting, some interesting general trends at work among the new crop of fall shows, as compared with the new shows of the 1958 season. Comedy is on an upbeat; the average "Q" score (listed as a "favorite") of comedies is 4 points higher this season as compared with last. The adventure-show average among newcomers is up a point, but all other new shows in regularly scheduled categories (apart from news, specials) are down in varying degrees. Dropoffs this season: mysteries (down 7 points); musical shows (down 5); Westerns (down 4); drama (down 3). This means that more people are showing a greater liking for the new crop of comedies than they did for new comedies last year and that they are demonstrating a drop-off of interest in new shows of other types.

TV-Q prediction came true Nov. 25 when ABC-TV suddenly dropped *Dick Clark's World of Talent* from the Sun., 10:30-11 p.m. period "because of low ratings." Advertiser P. Lorillard is sticking with the time slot and will program Filmways' *21 Beacon Street* reruns (Dennis Morgan), which was an NBC-TV summer replacement this year. The move "has nothing to do with Clark's recent payola headlines," a network spokesman told us. ABC gave Clark a vote of confidence however by scheduling "Dick Clark's New Year's Eve Party," a 90-min. WFIL-TV Philadelphia-originating show Dec. 31. A 2nd TV-Q forecast was realized last week when *The Lineup* was dropped (see p. 13).

More News Specials: The latest major advertiser to join the buyers of big-budget news shows (Bell & Howell, B. F. Goodrich, Firestone,) is Brown & Williamson Tobacco Co., a firm not usually given to purchasing red-carpet prestige advertising. B&W's buy is for the full 7-program package planned by NBC-TV in its *Journey to Understanding—Vol. II* coverage of President Eisenhower's forthcoming overseas trip. (The earlier "Journey" series had been largely domestic, dealing with Soviet Premier Khrushchev's visit in Sept. to the U.S., and had been telecast sustaining.)

CBS News has already bagged a blue-chip sponsor for its parallel coverage of the President's good will tour. Firestone Tire & Rubber Co. (Vol. 15:47, p10)—which also backed CBS's Khrushchev coverage—has signed. Still in the unsold category is the ABC coverage of Eisenhower's trip. ABC-TV has 3 prime-time specials planned, and will air them with or without a sponsor but is fairly confident of a sale before the President's departure.

As a byproduct of current sponsor interest in news specials, each network now anticipates sponsorship of its year-end coverage of 1959 news highlights, we were told by sales executives at all 3 networks last week. None of the year-end wrap-ups last year, by comparison, managed to land advertising support. Planned as year-end news specials so far are ABC-TV's "Prologue 1960," CBS-TV's "The Year Gone By," and NBC-TV's "Projection 1960."

Trio of Westerns made the honor list in the current *National Parent-Teacher*. The official publication of the Parent-Teacher Assn. praised *Fury* because it links courage with compassion, "strength with strategy, and respect for the law with respect for human beings." *Gun-smoke* made it for its "real moral teaching," for portraying the "good man" as always admirable if not always successful. *Rifleman* scored because the series' father "frequently" emphasizes to his son "that kind & friendly people do not want to take your money or stick a knife in your back."

Backhand slap at critics who give TV the snob treatment is administered by NBC continuity acceptance dir. Stockton Helfrich in his latest departmental memo. Closing a discussion on "quality" shows, he opined: "If our intelligentsia choose carefully which plays, which ballet, which concerts are to enjoy their patronage & their financial support, why are they unable to come out of that ivory tower . . . and dial to something like these? . . . And if they do not, what earthly right have they any longer to carp about its faults . . .? No right at all."

After attacking TV sponsors who are unconcerned about the impact of their programs on the public, and demanding shows that are "uplifting & enlightening," Coty Inc. Pres. Philip Cortney was asked by a reporter at a Chicago press conference, "What's so uplifting about *The Gale Storm Show*, *American Bandstand* or *Beat the Clock*?" Reports *Variety*: "Cortney said he was not familiar with the programs. Coty coin is riding on all 3 shows."

WMCA N.Y. has acquired control of Radio Press International, "beeper phone" news outfit, from George Hamilton Combs who has resigned as chmn. & editor-in-chief. RPI supplies to about 50 subscribing stations two 15-min. programs daily covering domestic & international news. WMCA Chmn. Nathan Straus & Pres. R. Peter Straus, will function in the same capacities for RPI.

U.S.-Russian cultural pact, including provisions for TV-radio program exchanges, has been renewed for 2 years, following negotiations in Moscow. Broadening the terms of the first such agreement reached in Washington in Jan. 1958 (Vol. 15:4 et seq.), the new 1960-61 cultural interchange envisages TV-radio appearances by U.S. & Soviet leaders, swaps of newsreels & non-controversial documentaries, etc. Either country may censor the other's offerings on grounds that they wouldn't improve American-Russian relations. In a State Dept. statement accompanying a communique on the Moscow negotiations, it was stressed that "the exchanges will, for the most part, be carried out by private persons & organizations." One of the few concrete results of the 1958-59 cultural agreement in the broadcast program area was a TV film swap deal worked out in Sept. by National Telefilm Associates & the Sovexport distribution organization (Vol. 15:38 p10).

Worldwide talent union is being sought by AFTRA, which has helped persuade officials of the forthcoming (Dec. 3-11) International Conference of Free Trade Unions in Brussels, that a day should be set aside for such discussions. AFTRA representatives at the Belgian meeting of unionists will be Donald F. Conaway, national exec. secy., & Mortimer Becker, national counsel. Representatives of other U.S. talent unions (musical, variety, legitimate theater) will also attend, as will British talent union officials. AFTRA now has network-level contracts covering residual fees to performers when taped shows are televised in foreign countries.

Viewers are opposed to greater govt. control of TV despite their disenchantment with the medium, the *Wall St. Journal* has concluded on the basis of interviews with more than 300 persons across the nation. The vote was more than 2-to-1 (179 vs. 83) against federal intervention "to clean up the mess," although two-thirds admitted being disturbed by the quiz frauds and approximately 23% of the respondents were "shocked" and otherwise more-strongly disturbed. Other views noted: the respondents backed by more than 2-to-1 NBC's dismissal of Charles Van Doren; many who oppose federal curbs on programming do favor govt. action against misleading claims by TV advertisers.

Listener-financed FM, already operated on the West Coast by the Pacifica Foundation and proposed by it for Washington (Vol. 15:44 p6), is spreading to N.Y. Stock of WBAI-FM Inc., licensee of WBAI N.Y., has been presented by financier Louis Schweitzer (Kimberly-Clark Corp.) as an outright gift to Pacifica Foundation, which now runs non-commercial, listener-supported "cultural" KPFA & KPFB San Francisco & KPFB Los Angeles. Pacifica pres. Harold Winkler, who filed an FCC transfer application for the N.Y. license, said "we intend to make this the most significant radio station in the country," starting in Jan.

Speedier TV news coverage is obtained by KETV Omaha via a 2-way radio-communications system linking the station with the autos of 5 station newsmen. Vp-gen. mgr. Eugene S. Thomas said the radio link enables news dir. Dick Trembath to maintain constant contact with the roving reporters—to relay assignments for fast-breaking news developments and receive their news reports faster. The reports radioed in by the reporters can be tape-recorded at the station for immediate broadcast.

Low-light colorcasting (Vol. 15:44 p9), which permits live color-TV pickup of night sports under normal stadium lighting, will be demonstrated via tape by Crosley Bcstg. Corp. at NBC studios in N.Y. this week (Dec. 1).

Advertising

More about

PROGRAM-VS.-TIME RATIOS: Even admen who pride themselves on being non-mathematical can readily judge 2 things in the chart below, prepared at our request by A. C. Nielsen Co.: (1) Talent costs—meaning all production expenditures—have been edging upward in all major program categories since 1958, notably in the area of specials, and (2) as talent costs go up, the relative percentage which network time represents in total costs is gradually going down.

Figures for time charges in the program-type chart that follows, Nielsen tells us, are an average of net costs, not gross, and reflect usual network discount structures. Talent charges, also on a net-to-client basis, are based on information provided to the research firm by sponsor clients, estimates on others, and information from Nielsen's reports on network cost-per-1,000 figures. The chart actually reflects the time-talent ratio on about 50% of all nighttime programming, sustaining & commercial:

Time & Talent Percentages of Total Costs

March-April (1958 vs. 1959)

	1958		1959	
	Time	Talent	Time	Talent
Westerns (24)	55.4%	44.6%	54.7%	45.3%
Variety (21)	53.2	46.8	52.6	47.4
General Drama (14)	58.7	41.3	57.3	42.7
Specials (11)	38.4	61.6	31.0	69.0

Nielsen's study shows that network program costs have risen to the point where they can represent nearly 70% of the total time-&-program package. Note that this was true back in the spring, even before the Ford & other blockbuster series began rolling. And the figures also underline a dramatic point: that the usual method of reporting network TV expenditures by top sponsors (see p. 3) underplays TV's real strength as a medium.

Certainly, a figure for "gross network time" gets somewhat closer to the total-spending level than does one on which the usual discounts have been figured. Major advertisers (Lever Bros., General Foods, Procter & Gamble, etc.) spend at a level which usually earns a discount on time of 25% at night on the 3 networks. Most advertisers get around 15%.

Panel Show \$25-36,000; Film Programs Higher

Programs are something else again. Even panel shows, generally nighttime TV's cheapest buy, run from \$25-\$36,000 for production, including agency commission. Film programs go considerably higher, with one NBC executive, TV sales-development mgr. Robert McFadyen, telling us that "a reasonably good 30-min. film show costs about \$45,000 net for each of 39 originals and about \$15,000 for each of 13 repeats, to average \$42,000 net." (ABC-TV research mgr. Fred Pierce puts his network's figure somewhat lower, with most 30-min. film segments coming in at an average net price between \$35,000 and \$37,000, and 60-min. shows running at slightly more than double the 30-min. price. The figures given us by CBS-TV sales v.p. Ed Bunker were generally similar to those of NBC-TV).

Sparking the trend toward a balance of actual time & actual program expenditures are the nighttime TV specials. Most cost at the rate of about \$120,000 per hour for the time as against \$125,000-&-up per hour for program charges. Said a network program executive who keeps track of cost trends in specials: "A special can actually show a ratio of 2.5-to-1, in terms of program cost vs. time."

The major trend toward specials this season thus won't really be reflected in the figures due to be printed eventually—figures which will show advertiser-spending in terms of gross network time only, without regard to the costs of producing the programs that occupy the time.

If all network gross time were shown and properly discounted, research executives told us, these over-all gross levels would of course immediately drop. But if actual net costs of programs were then added, the TV network total expenditures by advertisers (non-spot) would then shoot up something like 35% above the level at which they're now reported in media spending.

Couldn't the figures of other media be adjusted similarly to reflect a larger position in national advertising budgets? Apparently yes, although most would have little to gain. In the Sept. issue of *Television*, such a formula was stated, employing discount on gross print space, and an increase for costs of print ad-production. For gross billings in newspapers, 6.9% was to be added and for gross magazine billings, 11.5% based on formulas developed by McCann-Erickson's research dept. On 1958 spot TV, time was discounted by nearly 30%; then, 15% of the remainder was added for production. In network radio, time was discounted by 25%; then, a production factor of 35% was added. None of the formulas produces the kind of upward leap that adjustment of network TV figures brings.

BBDO vp & asst. treasurer Clayton Huff, speaking recently to the Assn. of National Advertisers, advised ANA members that print production costs for magazines, newspapers & business publications had risen an average of 30% since 1950, ranging from hikes of 24% each for electrotype & composition costs to a 40% increase for artwork. But TV costs, by comparison with 1950 levels, have literally skyrocketed, a 30-min. film show that cost \$7,000 in 1950 costing about 7 times as much today (Vol. 15:45).

Ad People: David Mixter and Joseph Marone named Benton & Bowles vp's . . . Fred W. Barrett will retire Jan. 1 as media vp, BBDO . . . Frederick A. Mitchell resigned as vp-gen. mgr., N.Y. office of Needham, Louis & Brorby . . . Sylvester L. (Pat) Weaver, McCann-Erickson International chmn., appointed chmn. of the American Heart Assn., succeeding Bruce Barton, BBDO chmn.

Kent Dennan, John Lamb and Edwin F. Lewis named Young & Rubicam vp's . . . Robert Ellis elected Kenyon & Eckhardt vp . . . Douglas Saunders retires at the year's end as chmn. of London office of J. Walter Thompson. He will be succeeded by William Hinke, promoted from managing dir. in London . . . John K. Ford, General Motors films & TV newsreel section mgr., named chmn., ANA audio-visual committee.

Mail-order TV advertising is being tested by KNTV San Jose via a Mon.-Fri. *Mailman Matinee* feature-movie program. Viewers are invited to phone or write for a free mail-order brochure which illustrates & describes products demonstrated on the program during a 4-week period. For \$85 monthly, each advertiser receives 2 TV commercials and gets the bonus of a half-page ad in the brochure which is reprinted every month. Thus even other sponsors' products pull for him inasmuch as they all push the brochure. The current test is limited to 60 products a month. The mail-order ad format was developed by the Small & Gautreaux ad agency, Hayward, Cal., which plans to extend the promotion to other TV markets.

TV-Tailored Marketing: "If TV is your major medium, your logical distribution pattern will conform to its contours, rather than to the traditional metropolitan area or newspaper trading areas. Otherwise, you are not obtaining maximum value out of your TV advertising." This, Corinthian Bcstg. Corp. told us last week, is the underlying media theme in the firm's new "tele-urbia" presentations now being made to agencies & advertisers, and being promoted with trade-slanted print ads.

Corinthian officials are aware that their presentation will inevitably be compared with Westinghouse Bcstg.'s recent "megatown" spot TV presentation, which stated that U.S. marketing should be built around a series of exploding population centers bordered primarily by TV signals. One major difference: Taking a real poke at recent print media presentations, Corinthian states that TV is becoming more & more "the actual sales force, rather than a vague support of a sales operation." Adds Corinthian: "The consequences on company organization are profound; they affect the executive structure itself ultimately."

The "tele-urbia" concept was first revealed to TV admen Nov. 20 at TvB's fifth annual meeting in Chicago, as part of the Bureau's "Exponential" presentation. Featuring a TV-oriented revision of the marketing pattern of Anheuser-Busch (Budweiser, Busch Bavarian), TvB's entire presentation will be unveiled in N.Y. Dec. 16 at the Waldorf-Astoria Hotel. Apart from the Corinthian-developed material, the TvB presentation stresses the need for intensive use of TV advertising by national advertisers "to avoid reaching the exponential, or plateau, where sales level out."

TV-radio's power to sell the unknown is being demonstrated by WOR-TV & WOR N.Y. in a campaign for sponsor *Psychic Observer*. The radio station's Long John Nebel sold 2,000 subscriptions in 3 weeks—including some fast listeners who requested "The Psychotic Observer," "The Absorber," "Sika Magazine," and "Psycho-Observer." And one night WOR-TV's Zacherley ("the Master Ghoul") picked up 28 additional subscriptions without trying, merely by showing the magazine on camera. These orders came from viewers who said they'd wanted the magazine but hadn't known how to spell its title until it was on TV.

TV entries won a third of 33 medal & merit awards bestowed by the Art Directors Club of Chicago last week to winners of its annual best-in-advertising-art competition. The remaining 22 top awards went to print media—magazine, newspaper and trade-paper ads, point-of-purchase displays, direct mail. Entries were received from 20 states, included more than 2,000 TV commercials & print ads. The winning TV & print entries and 103 runners-up will be exhibited all this week in Chicago's Prudential Building lobby. The 11 prize-winning TV commercials were for Shamrock Oil & Gas Corp., Dodge, Northwest Orient Airlines, Faygo Beverage Co., The May Co., 7-Up, Peoples Gas Light & Coke Co., Renault Inc., Ford, U.S. Steel, and Thorofare Markets Inc.

Advantages of 8-sec. TV spots are pointed out in TvB's latest presentation "Ideomotion." Cited are 8-sec. ID's "low cost for multiple impressions, flexibility, deep market penetration, adjacency to popular network or local shows and greater exposure time."

More about

FTC's Views on 'Deception': Responsibility for correcting TV advertising abuses "rests with advertisers themselves," but FTC is not going to make life tough for admen by insisting on 100% reality in TV commercials. That's the gist of what FTC Chmn. Earl W. Kintner told top officials of the Assn. of National Advertisers in a Nov. 16 meeting in Washington, later relayed Nov. 24 in a special report by ANA to its member firms. (For other activities of FTC, see p. 1).

ANA was represented at the session with FTC's Kintner by some of the ad industry's top officials: Donald S. Frost, Bristol-Myers vp & ANA chmn.; Roger H. Bolin, Westinghouse ad. dir. & ANA vice-chmn.; Howard Eaton, Lever Bros. media dir. & chmn. of ANA's Bcstg. Advertising Services Committee; Gilbert H. Weil, ANA gen. counsel; and Peter Allport, vp & secy. of ANA.

In effect, FTC's position is "concern with what the viewer sees, not necessarily with what goes on in the act of bringing a TV picture to the screen," ANA was told. It was agreed that "incidental theatrical artifice," (use of blue shirt to create white on the home screen, use of make-up to compensate for theatrical lighting or electronic limitations, use of substitutions like plastic "ice cubes" when the product would not stand up to "studio conditions") is immaterial unless it "represents a material deception as to characteristics, performance or appearance of a product."

In cases of the latter, the Commission is "proceeding on a case-by-case basis and general formulas cannot be indiscriminately relied upon," said Kintner. According to the ANA report, the Commission is particularly concerned with "competitive claims" and "tests or other supported proofs of advertising claims which are not honestly or fully presented or . . . fall short of what they are set forth to be."

Educational Television

TV grants took the lion's share and more than 25% (\$3,376,798) of the total \$12,290,527 expended by the Fund for the Advancement of Education during Jan. 1957 to Sept. 1959 for experimental programs aimed at improving the quality of education in U.S. schools & colleges. An additional \$755,779 was allocated for experiments in the use of films, tapes and other electronic devices as teaching & learning aids, FAE Pres. Dr. Clarence H. Faust reports. The 2nd highest project allocation, with grants totaling \$3,237,649, went to "programs embodying new approaches in the preparation of school & college teachers." The allocations are detailed in "A Report for 1957-1959" which is available on request from FAE, 477 Madison Ave., New York 22.

Proposed 6-state ETV network for the upper Midwest (Vol. 15:31 p24) would enable 12 to 15 ETV stations to take to the air in Ia., Minn., Neb., N.D., S.D. and Wis.—linked, according to present plan, by 61 towers spaced 28 miles apart. The ETV network is being surveyed by NAEB, under a \$30,110 grant from the Hill Family Foundation of St. Paul, Minn. Results of the study of network feasibility & cost are slated for publication around mid-Dec. KTCA-TV St. Paul gen. mgr. & NAEB Region IV dir. Dr. John C. Schwartzwalder is directing the survey. He reports that the network proposal "is being received with great enthusiasm," but notes that the 6 states are looking to Congress for the \$2 million that will be required for equipment.

Auxiliary Services

FCC COOL ON CATV ACTION: Though there's been no announcement, it's understood FCC last week concluded that no further formal proceedings on CATV are warranted at this time.

The unofficial word is that the Commission concluded: (1) FCC's previous proceeding on CATV, resulting in recommendations for certain legislation (Vol. 15:15 p2), was a full & adequate job. (2) The FCC won't sponsor an "ad hoc" committee, of the type recommended by the National Community TV Assn., to resolve industry differences (Vol. 15:47 p15). (3) The Commission would be happy to see the disputing factions solve their problems themselves.

Recently, the Commission had been giving serious thought to the problem of "duplication"—CATV systems carrying programs at the same time, or before, local stations could offer them. Apparently, the Commission has concluded that it can't or won't get into the problem.

Issue Left Up to Industry, Congress, Courts

The FCC's move thus leaves the situation up to the industry, Congress and the courts. Congress may well choose to step in where the FCC doesn't. And it's assumed that the stations will pursue their court fight to stop CATV from distributing their signals.

FCC broadcast bureau chief Harold Cowgill met in Denver Nov. 23 with representatives of all the warring factions, and upshot of the session was an agreement that more talks were necessary—no decision to accept the ad hoc concept yet. The participants were: for stations, William Grove, chmn., Hometown Free TV Committee, and his counsel Byron Hirst; for vhf boosters, James Beamer & Jesse Slusser, National TV Repeater Assn.; for CATV, Edward Whitney & E. Stratford Smith, National Community TV Assn.; for translators, Ben Adler, Adler Electronics. Though invited, NAB sent no representative.

Much of the meeting was devoted to a discussion of whether the ad hoc concept is a device to delay CATV-control legislation. The station representatives thought it was, and the CATV spokesman asserted that it wasn't.

CATV microwave grants have been awarded to 3 applicants by FCC following a "pause" of several weeks in which no licenses were approved. They are: Inland Microwave Co. Inc., to carry signals of KOMO-TV, KING-TV & KIRO-TV Seattle and KTNT-TV Tacoma-Seattle to systems in Chelan & Wenatchee, Wash. Tex-Mex Communications, to carry KFDA-TV & KVII Amarillo, Tex. to Tucumcari, N.M. North Canadian Microwave Co., to carry KWTW, WKY-TV & KOTV Oklahoma City to Woodward.

Harry Belafonte and 12 other tenants of an apartment house at 300 West End Ave., N.Y., lost their battle against the idea of elevators watched over by closed-circuit TV (Vol. 15:45 p24), when rent administrator Joseph Goldberg ruled that the building owners could replace manned elevators with electronically guarded ones.

Translator grant: Ch. 79, Milton-Freewater, Ore. to Citizens T. V. Inc., which will rebroadcast KREM-TV (Ch. 2) Spokane.

Translator start: F72AX Tucumcari, N.M. began repeating KFDA-TV Amarillo Oct. 30.

Film & Tape

WAR ON FOREIGN FILM BANS: Under the auspices of the Alliance of Television Film Producers, a TV film export association has been formed in Hollywood to combat the steadily increasing restrictions on U.S.-made telefilms in the foreign market. Such industry leaders as Revue, Four Star, Ziv-TV and Desilu are among those joining in the new move.

The association has named a committee to implement its plans and make surveys of the situation. The course of action to correct the problems will be determined on conclusion of the survey. An Eastern group of TV distributors, tentatively called TV Exporters Inc., is being organized for the same purpose, and it's likely the Hollywood group will seek amalgamation of the 2 organizations in view of their identical aims (Vol. 15:46 p2, 40 p2).

Producers are irked by blocked money, quotas and other forms of restrictions which they feel are unjustly imposed by foreign governments or cartels. Because American producers are looking more & more to the foreign market for additional revenue, the situation has assumed deep importance for them. They consider that Japan, Great Britain and Austria have been particularly harsh in their limitations on U.S. films.

Hero Shortage Is Raising Salaries: Astronomical demands by actors sought for leads in prospective series have stymied progress on a number of pilots being prepared in Hollywood for next season. The shortage of suitable leads for series—because so many actors are already working in or are committed to series—has resulted in soaring prices for those available. Some pilots have been held up as long as 6 weeks by this inability to find the right lead, or having found the actor, by an unwillingness to meet what producers consider to be exorbitant demands.

Some producers we talked to complain that the actors making these demands don't even rate as good supporting players in movies, but aware of the shortage, they're asking hefty participations as well as salaries. One actor with a fair name demanded \$6,500 a week plus 50% of the series. The producer told him to forget it, continued to search elsewhere. He's still looking.

Most producers say they expect to offer participation deals to actors with some stature (such as Henry Fonda has for *The Deputy* and Robert Taylor for his *Detectives* series), but they resist giving such deals to performers with little or no name value. Where the most important element in a production was the story, it's now developing that it's the actor, at least in the pilot stage. While a few companies, such as Warner Bros., don't give participations to actors, they are the exception, not the rule.

State censorship of TV shows originating in N.Y. has been proposed—again—by N.Y. State Assemblyman A. Bruce Manley as a means of gaining "effective control" over moral values in programming. Manley had proposed a similar measure, later defeated in the State Legislature, earlier this year (Vol. 15:4, p16).

CBS Films has acquired TV international distribution rights to the 1960 Olympic Games, for sale in South & Central America and all of Australia, from the 1960 Olympics committee. CBS expects to service these areas with "at least 15 hours of film programming."

Two 60-Mins. Bite Dust: Two 60-min. series, CBS's *The Lineup* and 20th-Century Fox TV's *5 Fingers* (NBC), were cancelled in major program changes last week. Both shows, it might be noted, are in the "violent" category which is attracting so much criticism this season.

Only a few days before, an executive of NBC had notified 20th that *5 Fingers* had been renewed (Vol. 15:47 p12), but his NBC superiors have reversed that decision and decided that the show leave the network in Feb. Meanwhile, replacements for the series are being sought. An NBC executive told us the network considered the show disappointing, not only in ratings, but in quality. Had quality been better, the net might have continued the show. NBC pays 20th \$85,000 an episode for the show, which is not always fully sponsored. 20th has gone over budget in its production of the series and the studio covered production costs exceeding its payment from NBC. Herbert Bayard Swope Jr. is producer of *5 Fingers*.

The Lineup's departure comes as no surprise. It has been beset by behind-the-scenes problems & weak ratings since CBS expanded it into a 60-min. show, after 5 years as a 30-min. series. CBS tried to give *The Lineup* a new look by casting young leading players in the series, but they failed to click. The same new look prompted Tom Tully, co-star with Warner Anderson, to walk out. He refused to drop to what he considered a supporting role. Despite a constant turnover in producers (Vol. 15:47 p12), none could deliver better ratings. The last film will be shot Dec. 8 and the series will leave CBS Jan. 20.

Another wobbly 60-min. entry is Revue's *Riverboat*. When NBC asked Four Star Television to have a 60-min. Western, *Stagecoach West*, ready as a replacement for *Riverboat* Jan. 17, it was told series could not be produced on such brief notice. Revue, which produces *Riverboat*, is preparing the pilot of a 60-min. Western, *Overland Stage*, which may become the replacement. William Bendix stars.

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Guild Films and Hal Roach Jr., along with 2 Cal. banks, were the targets of an injunction issued in N.Y. by U.S. District Judge Sylvester J. Ryan. Guild, Roach and Santa Monica Bank & Southwest Bank of Inglewood had been charged by SEC with selling Guild stock without registering it with the commission. SEC had stated that the Santa Monica bank had approached a N.Y. brokerage firm to sell some 50,000 Guild shares which had been posted by Roach as collateral on a \$120,000 personal loan from the 2 banks. SEC said Roach received the shares last Jan. under an agreement whereby Hal Roach Studios had promised to sell some film properties to Guild in exchange for 400,000 shares of Guild common stock. At the time, Alexander L. Guterma interests had control of Hal Roach Studios. Judge Ryan said the injunction was issued because the bank showed "complete indifference" to the SEC advice and declared its intention to sell the stock as collateral on a defaulted loan.

When Television Producers Guild begins negotiations with telefilm companies for a contract (Vol. 15:47 p12), it will seek no establishment of minimums, no restrictions on working hours—none of the customary working conditions applicable to other guilds. What the producers will ask, however, will be from \$300-\$400 an episode in residuals plus screen credit. About 85% of Hollywood's TV producers are members of the guild. Some own interests in their series, but are joining in the campaign to establish the principle of residuals for producers.

Strike Looms Over Post-1948s: The long-smoldering issue of whether & how Hollywood talent guilds should share in the revenue of post-1948 movies sold to TV may result in a strike that will paralyze movie production at the major studios next year.

The big question had to be faced last week when negotiations between the majors & Writers Guild of America collapsed over that issue (Vol. 15:47 p13). However, while the Writers Guild is dodging a strike for the time being, other guilds aren't apt to share its attitude. What angered them was the statement by Charles S. Boren, exec. vp of Assn. of Motion Picture Producers, that the producers will not make post-1948 payments to any guild or union. While this is not a new stand, guildsmen considered it an unusual way to prepare for upcoming negotiations. (Screen Actors Guild & the majors begin talks Dec. 14, Screen Directors Guild in Feb.) Boren's sharp language rejecting any agreements to give guilds post-1948 payments on free TV or pay TV irritated the guilds considerably, our check disclosed.

SDG exec. secy. Joe Youngerman commented regarding the dictum: "This could certainly wind up in a strike."

No SAG spokesman would comment, but it's known that the Guild is determined to get a post-1948 deal or it will strike. SAG's contract with the majors expires Jan. 31, and it's doubtful actors will continue to work without a contract if no agreement is reached by then.

Strategy of the Writers Guild is to wait until the other guilds get the same formal rejection on the post-1948 issue, and then hope for an all-guild strike against the majors. On another labor front, the Writers Guild was to begin negotiations this week with the Alliance of Television Film Producers, seeking higher minimums & residuals, and separation of rights (for sale to other media).

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U.S. movies are nearly pure, exults the Motion Picture Assn. of America in a statement hailing the 1959 report of the Catholic Legion of Decency, which "did not condemn a single American film." Boasting that the legion found that "85% of Hollywood's films are morally unobjectionable for some age brackets of the American audience," MPA vp Ken Clark said: "The year's increase in the category of partly-objectionable films was less than 1%, according to the report. To be precise, it was only 66/100ths of 1%. This impressive record is, above all, a tribute to the sense of public responsibility of Hollywood producers in making films for Americans and for millions of movie-goers throughout the world." The MPA's self-congratulations weren't seconded by the head of the Catholic bishops committee which supervises the Legion, however. Bishop James A. McNulty of Paterson, N.J. called on Protestant & Jewish groups to join the Legion in its movie clean-up campaign. "It is to be regretted," he said, "that many morally unacceptable films, produced & intended for juvenile audiences, have received the approval of the organized motion picture industry of this country. The advertising of these films can have serious moral effect upon the unformed & impressionable youth of our land."

Kay Thompson, songstress-creator of the Plaza Hotel's incorrigible Eloise, is scheduled to be hostess for the Nov. 30 forum in N.Y. of the Academy of TV Arts & Sciences dealing with the subject of "Music for TV." Other names due: Producer Max Liebman, composer Richard Rodgers, NBC Opera producer Samuel Chotzinoff, and broadcast music specialists Eddy Manson, Roger Englander, Hank Sylvern and Cy Coleman.

HOLLYWOOD ROUNDUP

Warner Bros. has named Boris Ingster producer of *The Alaskans* . . . 20th-Fox TV has signed Maurice Morton as business affairs executive . . . Four Star Television has named Sam Peckinpah producer of its untitled Western series for NBC, starring Brian Keith. Production begins in Dec. . . . Screen Gems has a new series, *Cable: Danger*, to be produced by Howard Leeds and Berne Giler.

Trans-Lux TV Corp. has moved its Western div. offices to a new location at 6253 Hollywood Blvd. Murray Oken, div. mgr., will cover West Coast markets from this location, primarily for T-L's new *Felix the Cat* animation series.

Crosby-Brown Productions has named Peter Robeck, ex-gen. sales mgr. for TV film div., RKO Teleradio, as mgr. of its Eastern office . . . Producer Jack Douglas is negotiating for Ben Hogan to star in *Pro-Am Golf*, series of 52 one-hour matches to be filmed in the 50 states and territories of the U.S. . . . John Beck has left 20th-TV, where he was an executive in business affairs.

Writers Guild of America will name winners of its TV-show contest at a meeting this week (Dec. 2). The winning scripts are to be presented to Screen Gems executives William Dozier, Harry Ackerman and William Sackheim for an anthology series . . . Brad-Jacey Inc.'s *The Brothers Brannagan* is in production at Phoenix, Ariz., for CBS Films.

Desilu Productions plans a new 60-min. series, *Secret Service Agent*, to be produced by Quinn Martin . . . Allied Artists will produce pilots of *Simon Lash* and *Unsolved* for ABC Films. Sidney Salkow will produce the former, Ben Schwalb the latter.

UAA has sold a package of 4 Christmas films in 24 markets in the last 2 weeks. The package contains "A Christmas Carol," starring Alastair Sim; "The Emperor's Nightingale," a cartoon feature, and "Star in the Night" & "Silent Night," both musical shorts. . . . Fremantle International has sold 2 WPIX N.Y. 60-min. documentaries ("The Russian Revolution," and "The Secret Life of Adolf Hitler,") for Mexican telecast.

Half-hour TV film series now number 528, with 24,261 half-hours in the can, reports the 18th edition of *TV Film Source Book—Series, Serials and Packages*, which will be published this week by Broadcast Information Bureau. The new edition (390 pp.) covers 58,383 individual TV & theatrical films, 1,085 video-taped shows.

Independent TV Corp. has taken a step toward full control of production of TV series, as opposed to co-production arrangements. ITC, for "an undisclosed guaranteed sum," has acquired all joint vested interests in *Frontier Correspondent*, starring Burt Douglas & Karl Swenson, from S-P Productions. S-P's principals—Richard Sokolove & Ben Perry—retain a royalty & participation interest in the series. ITC moved into the telefilm field via financing-distribution deals & a buy-out of Television Programs of America, but has lately become more active in direct production through program dirs. Ted Rogers (Hollywood) & Leslie Harris (London).

ABC-TV & Hubbell Robinson Jr. are close to finalizing a deal whereby Robinson will produce two 60-min. filmed dramatic series for the network next season.

NEW YORK ROUNDUP

NBC-TV will finance a 30-min series, *Headquarters*, based on the Quenton Reynolds book about the N.Y. police dept. Franklin Schaffner & Alvin Boretz will produce . . . Warner Bros. has signed Jerry Davis to a TV producer-director-writer contract . . . Goodson-Todman has signed Sid Dorfman & Al Lewis to co-produce, write and direct a new situation comedy series, *One Happy Family*.

CBS & NBC N.Y. exchanged glares last week because of the 33rd annual Macy's Thanksgiving Day parades. NBC-TV, which has carried the event for several years (usually sponsored) suddenly found CBS-TV in the act, with plans for remote coverage and a pair of sponsors signed. "Horning in," snapped NBC. "A public event," replied CBS. Upshot: both carried it. Although ABC-TV was the only network whose N.Y. HQ is on the parade route, ABC officials contented themselves with their ringside seat.

Robert Saudek Associates has signed Hal Holbrook, critically acclaimed as the foremost stage interpreter of Mark Twain, to portray Twain in a 60-min. NBC-TV special next spring. Title: "Roughing It." . . . CBS News correspondent Larry Lesueur has been assigned to reopen the network's Moscow bureau "as soon as possible." Lesueur, a 20-yr. CBS newsman, sailed on a wartime convoy to Murmansk, and was the first regular CBS news correspondent in Russia in 1941.

Edward R. Murrow continues to spend an active sabbatical leave. Due as the 3rd program in the prime-time *CBS Reports* series Dec. 18 (10-11 p.m.) is a 60-min. telefilm portrait of Iran, which Murrow & Winston Burdett will narrate. It will be televised just 4 days after President Eisenhower's upcoming Iranian visit and will interview Shah Mohammed Reza Pahlevi, as well as other Iranians and Americans resident in the oil-rich nation.

NBC-TV will slot *Play Your Hunch* in place of *Treasure Hunt*, which is being dropped as a Mon.-Fri. 10:30-11 a.m. quiz strip Dec. 7. The replacement offers what NBC terms "modest cash prizes" in an audience participation game format. Meanwhile, the network has signed *Treasure Hunt* m.c. Jan Murray to a 2-year contract for "participation in dramatic & comedy specials," and will finance "a comedy pilot starring Murray."

Fremantle International will handle worldwide distribution of the Canadian-British co-production telefilm series, *Royal Canadian Mounted Police*, which is running on CBC currently and is due for telecasting by BBC-TV and the Australian Bcstg. Commission. A Spanish version is being dubbed for Latin American TV markets, and the French-language version, televised in Canada, will be distributed to French-speaking TV outlets in Europe.

Jerry Davis has been signed as producer-dir.-writer at Warner Bros. TV div. . . . Maurice Morton has been named business affairs exec. of TCF-TV . . . Arthur Zeiger, ex-ABC-TV business affairs dept., has joined Broadcast Management Inc., talent agents, as asst. to pres. . . . George Gray has been named Northeastern div. mgr. and Bert Weiland Midwestern div. mgr. for ITC . . . Jack Gainey, Ted Rosenberg and Leon Wray have been named Northeast regional sales mgr., Mid-Atlantic regional sales mgr., and Northwestern regional sales mgr., respectively, for NTA.

Television Digest

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WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Box 700, Rodnar, Pa. MUroy 8-3940

JAMES T. QUIRK, *Business Manager* MERRILL PANITT, *Editorial Director*
 JAMES B. DELEHANTY, *Asst. Business Mgr.* HAROLD B. CLEMENKO, *Managing Editor*
 DAVID LACHENBRUCH, *Associate Editor*
 HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyatt Building
 Washington 5, D.C.
 Sterling 3-1755

ALBERT WARREN, *Chief*
 WILBUR H. BALDINGER
 WM. J. McMAHON Jr.

MARTIN CODEL
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NEW YORK BUREAU

625 Madison Ave.
 New York 22, N.Y.
 Plaza 2-0195

CHARLES SINCLAIR

WEST COAST BUREAU

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Personals: John F. Day promoted to vp for news, CBS News; Robert E. Lang appointed administration vp . . . Robert Milford promoted from CBS-TV program dept. gen. mgr. to new post of network programs dir., N.Y. . . . Jack B. Purcell has been appointed CBS-TV West Coast asst. gen. attorney . . . Mrs. Mary L. McKenna elected Metropolitan Bestg. Corp. vp for research & sales development . . . Charles P. Dwyer, ex-WTVN-TV Columbus, Ohio, named asst. gen. mgr. & national sales mgr., WKRC-TV Cincinnati . . . William Hansen named national & regional sales mgr., Cascade TV (KIMA-TV & KIMA Yakima, Wash. and 3 satellites) . . . Fred Von Stade promoted from account exec. to national sales mgr., WTVN Columbus, Ohio.

Ruth Nace named promotion merchandising mgr. KEYT, Santa Barbara, Cal. . . . M. Peter Katsuftrakis joins CBS legal dept. in Hollywood, replacing Franklin B. Rohner, who moved over to business affairs. Katsuftrakis was formerly resident counsel of Pacific Ocean Park, recently sold by CBS . . . John H. Conlin, ex-litigation div. of FCC, named legal asst. to FCC Comr. Frederick W. Ford.

Otto P. Brandt, KING-TV Seattle, elected chmn. of TvB for the coming year, succeeding Roger Clipp., gen. mgr. WFIL-TV Philadelphia. Glenn Marshall Jr., WJXT Jacksonville, Fla., elected secy. (succeeding Brandt) and re-elected a dir. Payson Hall, Meredith Publishing Co., re-elected treas. Dirs. elected for 2 year terms were Gordon Gray, WKTV Utica; Clair McCullough, WGAL-TV Lancaster, Pa.; Richard Borel, WBNS-TV Columbus, Ohio; John Murphy, Crosley; and Donald Kearney, Corinthian.

Marion Stephenson appointed business affairs dir., NBC Radio . . . Raymond S. Guy, senior NBC staff engineer, elected pres. of De Forest Pioneers . . . Harold Essex, vp-gen. mgr., WSJS-TV & WSJS Winston-Salem, promoted to pres. of WSJS licensee Triangle Bestg. Corp., succeeding W. K. Hoyt, retired; Harry Shaw, promoted from sales mgr. to vp for sales, Phil Hedrick promoted from operations mgr. to vp for operations . . . Richard Sinclair, ex-KCOP Los Angeles, named promotion mgr. of KHJ-TV Los Angeles . . . Beverly (Bevo) Middleton, ex-gen. mgr. of radios WUSN Charleston, S.C. & WHKP Henderson, N.C., joins WTOP-TV Washington as merchandising dir.

Edgar F. Vandivere, ex-FCC engineer and ex-partner in firm of Vandivere & Cohen, joins Page Communications Engineers, Washington, as consultant to the research & development dir.

Meetings next week: RTES timebuying-selling seminar (Dec. 8); ITC Chmn. Jack Wrather will speak on British commercial TV; Hotel Lexington, N. Y. . . . Academy of TV Arts & Sciences, Los Angeles, general membership meeting on "Tape vs. Film" (8); Dr. Frank Baxter will moderate; panel: James Schulke, KTLA Los Angeles; Thomas W. Sarnoff, NBC; Sheldon Leonard and Bud Yorkin, producers; Robert Stefan, BBDO; and Robert Day, Ampex; Beverly Hilton Hotel, Beverly Hills, Cal.

California Bestrs. Assn. has elected William B. Goetze of KFSD San Diego pres., at its meeting in Los Angeles. Other officers elected: Ernest L. Spencer, KWIZ Santa Ana, radio vp; Richard P. Hogue, KXTV Sacramento, TV vp; Alan Lisser, KBIG Avalon, secy.-treas. Louis S. Simon, KPIX-TV San Francisco; Hale Bondurant, KWG Stockton; John T. Reynolds, KHJ-TV Los Angeles were named to the board, as were Hogue and Lisser.

CBS Radio has added 5 affiliates. These are WKNE Keene, N.H. (which disaffiliated from CBS last year); WBRK Pittsfield, Mass.; WKNY Kingston, N.Y.; WKVT Brattleboro, Vt., and KREX Grand Junction, Colo. Two stations are disaffiliating as of Jan. 4, 1960: WBRC Birmingham, Ala., and WPLO Atlanta.

Sixth annual TV-radio scholarship of American Women in Radio & TV, has been announced. Junior women in any of 350 colleges & universities offering a degree or elective major in TV or radio are eligible. The \$1,000 scholarship will be presented at AWRT's 1960 convention.

Elected co-chairmen of TvB's sales advisory committee, at the annual meeting: John Dickinson, Harrington, Righter & Parsons, and H. P. Lasker, Crosley Bestg. Corp. They succeed John Denninger, Blair-TV, and Jay Heiten, WRCA-TV N.Y.

Promotion-minded WJZ-TV has produced a 20-min. color-sound film story on the expansion of the Baltimore market for showing to advertisers & agencies nationally. The film also spotlights WJZ-TV's position in the nation's 12th TV market.

NAB's convention committee, headed by Thomas C. Bostic of KIMA-TV & KIMA Yakima, Wash., and Meredith Stations' Payson Hall, meets Dec. 3 in Washington to develop plans for annual sessions next April 3-7 in Chicago.

Videotape recorder was put into operation Nov. 24 by educational WTTW Chicago.

Obituary

Dr. Lyman Bryson, 71, professor emeritus of education at Columbia U. Teacher's College, died of cancer Nov. 24 in Harkness Pavilion. Dr. Bryson had been education dir. at CBS since 1942, moderator of CBS-TV's *Lamp Unto My Feet* and radio's *Invitation to Learning*. He is survived by his wife, a son and 4 grandchildren.

Clinton R. White, 65, owner of radio WCRW Chicago which he founded in 1926, died Nov. 23 following a heart attack. He received his first radio operator's license in 1915. In recent years he was credited with many electronic innovations, including an instantaneous recording process for transcriptions.

James Broderick, 45, casting director for CBS in Hollywood, died Nov. 21. Surviving are his mother and a sister.

Trade Report

NOVEMBER 30, 1959

HOTEL-TV FIELD SMALL BUT HUMMING: Business is booming in hotel-motel TV. Ten top concerns in this seemingly small but mushrooming field are racking up gains of 20% to 300% this year over last. All envision a markedly bigger & better 1960.

Exact size, potential and dollar volume of market remain a mystery due to lack of adequate industry information, reluctance of suppliers & installers to release any performance data which might aid & comfort competitors, and general confusion as to the nature & number of hotels & motels worthy of the names. It's a highly secretive industry, one leader told us—an industry in which some operators have been known to realize 1,500% profit on installations.

Only a few of hotel-TV concerns we interviewed would hazard a guess as to number of installations made in 1959—and their estimates ranged from a low of 50,000 to a high of 200,000 sets. Dollar volume of industry in 1959 was estimated at from \$3 million to \$6 million. Exec. vp Arnold Wells of Wells Television Inc. opined that \$5 million would pretty well sum up total 1959 billings for TV sets sold & leased to hotels & motels.

Researched projections for 1960 are similarly hard to come by. Suppliers & installers we interviewed agree 1960 will bring boom business. Many see volume doubling, tripling. Few will trot out projections or estimates. Forthright Emerson Industrial Products Corp. (Emerson Radio), through treas. Morton E. Ornitz, foresees total 1960 sales & leasing of 200,000 TV sets for industry for a \$22.5 million gross.

Market's potential is nearly impossible to chart because of absence of reliable or complete statistics on number of hotel-motel rooms available, rate of new construction, number of rooms now TV-equipped. American Hotel Assn. comprises better than 1/3 of estimated 14,000 U.S. hotels & motels. Its 5,271 members embrace 4,608 hotels with 551,994 rooms, 663 motels with 41,478 rooms. No figures are available on TV installations. However, a TV-industry source, with a major market-research activity, estimates today's market at: 1.5 million hotel rooms with 750,000 TV sets; one million motel rooms with 900,000 TV sets. This same source also estimates that hotel-motel rooms are being added at an annual rate of 500,000, virtually all of which will be TV equipped. Tele-Sound Inc. vp Milton Smith estimates 1.5 million TV-equipped hotel-motel rooms.

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Several significant changes have developed in hotel-TV market since our last major survey (Vol. 12:44 p3). Principal one, summed up by Arnold Wells: "The big change is that the hotel-motel industry has accepted TV as a part of the room. The question no longer is whether they'll buy, but when. Today, any hotel that deserves the name has TV." Other changes:

Leasing now the rule. Three years ago there was a decided trend to outright purchase of TV sets by hotels. Today bulk of business is leasing, with supplier providing a complete package of set, installation and service on a 3-4-5 year contract. Typically, one major provides such a package for 22.4¢ per day for a 17-in. set for 3 years; 15.9¢ daily for 5 years. At conclusion of contract period, hotel owns the equipment. Strongly bucking the trend to leasing is Emerson. It has stopped leasing, sells its equipment outright. "There's a heavy turnover in the hotel field," Ornitz explained. "Sometimes our contracts would turn over 3 & 4 times in a 3-year period. It got so we couldn't tell who we were doing business with."

Color sets kaput. So far as hotel TV is concerned, color sets these past 3 years have lost what little ground they had. Nine of 10 concerns we interviewed were emphatic that color has no home in hotel field. Even RCA conceded that color installations are rare, and only in lobbies or lounges. Typically, when RCA installed 534 TV sets this year in new Dallas-Sheraton Hotel, only 7 were color sets. Suppliers agree color TV is defeated by higher cost, tuning problems, frequency & higher cost of service.

Most popular-size TV set is 17-in. table, although Emerson & Master Video Systems Inc. find more demand for 21-in. models. Admiral's Commercial Electronics Div., which entered field 2½ years ago, now claims to be largest supplier, says 17-in. sets are far & away the leaders. RCA and others point out that 17-in. portable has price advantage, fits compact space of hotel room, is easy on maintenance, and can be replaced in seconds without interrupting tenant service.

Replacement market looms. Still waiting to be mined is bonanza replacement market, which is expected to take on significance next year. American Communications Corp. vp Martin A. Lappin told us that, surprisingly, "lodgers take better care of hotel TV sets than they do of their own at home," and that rich replacement market still is several years away. However, consensus is that 1960 will produce brisk replacement business; that after 5 years of hotel service a set is more economically replaced than maintained. Another rich plus is installation & service business, which one major estimated is already at a \$25-million volume.

Product trends noted. Original coin-slot TV set is dead as a dodo in hotel field; lodgers now insist on rooms with TV, expect it to be part of hotel service. Because TV is now a merchandising asset, hotel-motel operators seek more services. Hotel Radio Corp. vp-gen. mgr. H. L. Dawson told us his firm will introduce a "pamper panel" model next year to provide remote tuning. Master Video Systems Inc. treas. R. G. Skinner notes increasing demand for multi-service hotel units to provide TV, radio, background music. "Most of the business now on the books is for these triple-play units," he said. Arnold Wells also reports burgeoning market for the bedside communications center, which may include such plus services as paging, wake-up system.

Our survey covered: Admiral Commercial Electronics Division, American Communications Corp., Emerson Industrial Products Corp., Hotel Radio Corp., Master Video Systems Inc., Radiomatic of America Inc., RCA (both TV div. & RCA Service Co.), Tele-Sound Inc., Tel-Hotel Corp., Wells Television Inc.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 20 (46th week of 1959):

	Nov. 13-20	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	146,673	149,295	116,530	5,632,374	4,396,138
Total radio	340,249	342,497	390,019	13,779,399	9,983,317
auto radio	75,066	63,166	137,678	4,912,556	3,037,350

STEREO CAMPAIGN BY EIA? A public-relations campaign to help clear up public & dealer confusion about stereo is being considered by EIA's newly organized phonograph section, headed by Pilot Radio vp L. M. Sandwick. If the section agrees on such a drive, it will be formally proposed to EIA's consumer products exec. committee at the manufacturer group's winter conference this week (Dec. 2-4) at Los Angeles' Statler Hilton.

No details of the proposed stereo campaign had been formally determined by the EIA phono manufacturers at press time, but it presumably would be more of an "education" than a "promotion" campaign—on the theory that misunderstanding of stereo is the prime barrier to boom sales of stereophonic instruments.

Highlighting the EIA winter conference will be an address by Dr. William H. Pickering, dir. of Cal. Institute of Technology's jet propulsion lab, covering the role of electronics in the military & civilian space programs. Key sessions will feature reports & discussions on Japanese electronic imports, legislative problems and EIA's activities in Walsh-Healy minimum-wage proceedings.

Latest move in Philco-RCA legal battle: Defendants in Philco's 3-year-old \$150 million anti-trust suit (Vol. 13:3 p2)—RCA, GE, AT&T—have petitioned Philadelphia federal court to throw out most of the damage claims on the basis that they're invalid under the statute of limitations. Philco had charged illegal monopoly in RCA's patent practices. Latest brief by defendants argues that federal & state laws prevent Philco from recovering damages for an event which occurred prior to Jan. 7, 1955. Philco filed its suit Jan. 14, 1957. Judge Thomas J. Clary has been named to preside at the trial—if there is one.

Emerson has received a patent for a system that moves bulk mail through automatic culling, facing and cancelling machines at 30,000 pieces per hour.

Colorful Packard-Bell: Not the least bit unhappy about color TV is Packard-Bell Electronics, which has been manufacturing & marketing color sets in its 14-state Western trading area for 4 years—and is enjoying its best color sales year to date.

Commenting on our recent color-TV roundup (Vol. 15:45 p3), home products vp Kenneth R. Johnson told us Packard-Bell's color set sales have increased 400% in the last year. He attributed the increase to improved color programming. "Available surveys indicate that we are now selling about one-fourth of all color sets sold in our trading area," he said. The company's color sets feature lowboy styling, remote control. Color won't become a major factor in the TV market, Johnson believes, until there's at least 8 hours of network color programming daily.

In total consumer products output—TV, radio & stereo—Packard-Bell continues to report booming business. October was the 2nd best sales month in the company's history and represented a 66% increase over Oct. 1958.

Factory sales of transistors again set a record in Sept.—8,652,526 units—more than double the number sold during the full calendar year of 1955. The units sold in Sept. were valued at \$20,851,290, up from 7,129,696 units at \$18,054,138 in Aug. 1959 and 5,076,443 at \$10,810,412 in Sept. 1958. Total Jan.-Sept. sales were 57,910,513 units at \$154,337,518 vs. 30,387,277 at \$73,230,195 for the same 1958 period and 47,051,000 at \$112,730,000 for all of 1958.

Realignment of RCA's TV-radio-phono operations appears imminent and probably will be announced prior to the Dec. 7 distributors' meeting. Although RCA declined comment, best available information indicates that these now-autonomous activities will be combined into an all-in-one operation, à la GE's new TV-radio div. (Vol. 15:38 p20), under the leadership of RCA Victor home instruments div. vp-gen. mgr. J. S. Belden. Consolidation would be a throwback to RCA's former instruments operation.

Radio Imports Soar: America imported 60% as many radios from Japan as the U.S. electronics industry produced during the first 9 months of 1959. The first 3 quarters saw imports of about 3.9 million radios from Japan, while about 6.8 million sets were produced here during the same period (auto sets excluded).

The 3.9-million figure compares with 1.3 million for the first 9 months of 1958. Of the imports this year, about 2.5 million were radios containing 3 or more transistors. During the 9-month period, more than 1.8 million Japanese transistors were imported (in addition to those in end products), compared with less than 6,000 units in the 1958 period. Other 9-month imports: phonos, 12,200, up from 1,100; vacuum tubes, 4.8 million, up from 606,000.

Complete tables of 9-month imports of electronic products in both unit & dollar volume will be printed in *TELEVISION DIGEST* (to update the tables in Vol. 15:41 p17) as soon as exact figures are available.

Japan's total radio production—for domestic sale & export—is running close to U.S. totals. For the first 9 months of 1959, nearly 6.5 million radios were produced by the Japanese electronics industry, compared with 3 million during the same 1958 period. Production of TV sets for the period was more than double the corresponding 1958 figures—1,972,000 vs. 749,000.

* * *

Two of Japan's 3 largest radio-appliance manufacturers are setting up wholly owned U.S. operations—indicating that their marketing operations here will soon be even more intensive. Matsushita Electric Co., the No. 1 firm in Japanese electric housewares & radios, is establishing Matsushita Electric Corp. of America, to be headed by Benichi Takahashi, now director of Matsushita's Tokyo office. Hitachi, No. 3 in the line-up (Tokyo Shibaura is No. 2), has established subsidiary Hitachi-N.Y. Inc.

■

Trade Personal: Robert C. Wilson named gen. mgr., GE radio receiver dept., succeeding W. P. Von Behren, now gen. mgr. of major appliance div. . . . James J. Cunnane, ex-RCA, named products sales mgr., Warwick Corp., succeeding Robert O'Brien, resigned . . . C. R. Joyner, asst. mgr., named mgr. of EIA's marketing data dept., succeeding William F. E. Long, who joins Philco Dec. 7 (Vol. 15:47 p21); Herbert F. Hodge Jr. resigns as mgr. of EIA's office of information, effective early next year, to organize his own PR & publishing firm in the Washington area.

W. V. George promoted from asst. gen. mgr. to gen. mgr., Canadian Marconi Co., Montreal, succeeded by L. M. Daley, best. & TV receiver div. mgr. George will assume some of the duties previously held by Pres. Stuart M. Finlayson. T. P. Kelly, former best. & TV receiver div. sales mgr., will succeed Daley . . . Charles D. Manhart, ex-Raytheon, appointed Daystrom vp.

Philip D. Reed, former GE chmn., retires as a GE dir., finance committee chmn. and consultant to board Chmn. Ralph J. Cordiner . . . Curtis A. Haines named facilities & manufacturing planning vp, Sylvania Electronic Systems . . . Earnest F. Tonsmeire named controller of Raytheon receiving tube div. . . . Steve Manning, ex-Pacific Semiconductors, appointed mgr. of General Instrument Corp.'s West Coast sales engineering office . . . Fred D. Wilson, ex-DuKane Corp. commercial sound div. gen. mgr., appointed asst. to the pres., Rauland-Borg . . . Haskel A. Blair named University Loudspeakers pres., succeeding Sidney Levy, who continues as exec. vp & engineering dir.

POWER FROM NOISE: Along comes a new type of semiconductor which its developers claim can harness noise—either the audible or the undesirable electrical type—to produce substantial amounts of power. An example of the type of product being developed from this newly invented device: A 24-in. TV set which could sell for “substantially less” than present types, using less than the 1½ watts needed to drive a Christmas tree light.

Responsible for the device is tiny Electronics Development Inc., Tampa, Fla., with an executive & research staff of 2—Pres. & research dir. Eugene A. Russell and lab chief Everett A. Duncan. They didn't even bother to give their semiconductor device a fancy name—merely calling it an “electro-chemical unit.”

About the size of a cigaret pack, the unit is easy & inexpensive to build and substitutes for electron tubes or transistors in amplifier circuits. As its inventors explained to us, it obtains its amplification factor from noise—noise being defined as “energy given off by the motion of any particle.” This can be unwanted electrical noise, a 60-cycle hum or the audio signal itself. The semiconductor elements give off no heat, and, unlike transistors, are completely insensitive to heat.

Other aspects of the noise amplifier, as described to us by Russell & Duncan:

The equivalent of a 6-tube amplifier circuit can be developed using one or 2 of the semiconductor elements. A 5-lb. audio amplifier was demonstrated to the press Nov. 27, producing 250 watts from the output of a music tape. The system “could be used to light up a whole city.”

The noise-operated TV under development would require only enough external power to operate a tiny transistorized power supply whose function would be to supply a slight bias voltage. Power output of the electro-chemical units would be adequate to operate a 24-in. picture tube.

Elements developed so far supply energy from sound & noise sources ranging from 20 cycles to 100 kc.

The principle was discovered 10 months ago, according to its developers, during an attempt to devise a single-cabinet stereo system using the time-delay principle to give the impression of widespread speaker separation. The company has applied for 17 patents and will seek many more during the next year.

Russell says the company will make a line of amplifiers using the principle next year—including both stereo sound & power amplifiers. The firm intends to produce the semiconductor units and license others to make them. It also is negotiating with the Air Force for a missile electronics contract using the elements.

Because of the newness of the development (it was announced for the first time just before we went to press), it was impossible to obtain comments or evaluation from industry engineers. They haven't seen it yet.

■

“Check-price” system on Japanese radio exports will not be eliminated Jan. 1 as reported here last week (Vol. 15:47 p19). Best information indicates that the Japanese govt. is still studying the whole check-price issue. Our source of information for the item last week was in error.

Obituary

George T. Bean, 74, prominent N.Y. patent attorney who once was mgr. of the patent dept. of the old Victor Talking Machine Co., died Nov. 25 in Summit, N.J. He is survived by his wife, Elizabeth, 2 sons and 6 grandchildren.

Finance

Ampex Splits Again: Ampex Corp., the burgeoning magnetic-recording firm which startled the TV industry in 1956 with the unheralded announcement that it had developed a practical TV tape recorder (Vol. 12:15 p4)—and then proceeded to prove that it really had something—is getting ready for its 2nd stock split in 2 years. The directors approved a 3-for-1 distribution, subject to a stockholder vote next Jan. 25.

Although it's never paid a dividend, the stock of this TV-electronics glamour company has climbed almost steadily since 1956. In the summer of 1958, it split 2½ for 1. On the basis of its present number of outstanding shares, its trading range during 1955 was the equivalent of 5¾ to 8, rising in 1956 (the year of the introduction of the Videotape recorder) to a high of 17¼, its high last year being 19¾. Nevertheless, its biggest climb came this year. Following the announcement of the proposed split, Ampex closed Nov. 24 on the N.Y. Stock Exchange at 136¾, up 1½ for the day.

Ampex's net earnings for the fiscal year ended April 30, 1959 totaled \$2.85 million on sales of \$43.8 million, and the company expects earnings of close to \$4 million on \$60 million sales for fiscal 1960.

■

Litton Industries Inc. scored healthy gains in sales & earnings in fiscal 1960's first quarter, ended Oct. 31, Chmn. Charles B. Thornton reported to the Cal. concern's annual meeting last week. Litton stockholders approved an increase in authorized common to 7 million from 5.5 million shares, paving the way for a 2-for-1 stock split voted by the concern's directors in Aug. The split will apply to stock of record Dec. 4, the company said, and new shares will be issued before Christmas. For the first quarter ended Oct. 31:

	1959	1958
Sales	\$36,400,000	\$27,079,000
Net income	1,537,000	1,136,000
Earned per share	82¢	64¢
Shares outstanding	1,835,000	1,714,097

Houston Fearless Corp. has acquired Boston-based electronic-components maker Federal Machine Tool Co. for an undisclosed amount of common stock, it was announced recently. Federal employs some 150 persons in 3 plants, has a current annual sales rate of \$2 million. Houston Fearless, L.A. producer of film processing systems & audio-film equipment for the motion picture & TV industries, said Federal will be operated as a division, under the presidency of Federal Pres. Frank Nichol.

Eitel-McCullough, in a report filed with SEC, notes a large increase in net profit in the 8 months ended Aug. 31:

	1959	1958
Net sales	\$15,927,273	\$9,635,018
Net profit	792,363	5,383
Earned per share	48¢	1¢
Shares outstanding	1,650,542	825,271

National Union Electric, for 9 months ended Sept. 30, reports net income of \$520,609 (30¢ a share), excluding a special charge of \$390,000 (22¢ a share) for adjustment of contract settlement costs, compared with \$280,936 (16¢) net income during the first 9 months of 1958.

Barnes Engineering Co., for 3 months ended Sept. 30, reports net profit of \$77,484 (24¢ a share) vs. \$40,765 (13¢) for the same 1958 period.

Clevite Corp. will continue to emphasize quarterly dividend payments at a set rate to stockholders rather than year-end extras, Pres. William G. Laffer told the Cleveland Society of Security Analysts. Noting that Clevite recently "evened out" its quarterly rate, raised its dividend to 30¢ from 25¢ in the June quarter, Laffer said: "I do not expect our board will be declaring extra dividends at the end of each year as we did for a time. When we feel we can move to a higher quarterly payment and hold it, we will do so." He anticipates record sales & earnings this year. Sales are expected to top \$82 million, compared with last year's \$63.4 million & 1956's record \$73.6 million. He foresees "something over \$3 a share in net profit" for 1959, compared with 1958's \$1.60 & 1956's record \$2.54. Laffer noted that more than one-third of the 1959 sales will be in electronics; that R&D activities in its electronics operation have been running at about 10% of sales; that more than half of 1959 sales will come from products Clevite did not have 10 years ago.

Philco resumed payment of cash dividends with the declaration last week of 25¢ payable Dec. 18—the first cash distribution since Sept. 1956. The company has paid 4 stock dividends since 1956. The board deferred consideration of future dividend policy "until the cash requirements of Philco's expanding activity in electronics can be more definitely determined." Pres. James M. Skinner Jr. estimated that 1959 earnings would be more than \$1.50 a share, compared with 61¢ (2,874,000) last year. The 1960 outlook, he said, "indicates substantial increases in the company's govt., transistor & computer business, requiring further investment in plant & equipment. Further improvement in consumer goods volume is also anticipated—subject, however, to the final effects of the steel situation, particularly in the early months of the year." Also announced last week was an Air Force award of a \$6,627,092 contract to Philco for work on the "Aircom" global communications network.

General Precision Inc. is the new electronics subsidiary of General Precision Equipment Corp., a consolidation of the 4 subsidiaries which do nearly 90% of GPE's total business. The 4 former subsidiaries are General Precision Lab, Kearfott Co., Librascope and Link Aviation, now operating as divisions of the new GPI. GPE Chmn. J. W. Murray & Pres. D. W. Smith of GPE hold the same positions in GPI. Murray said last week that sales of the 4 divisions this year will total about \$177.3 million—about 75% of its military. He said all GPE companies should equal or surpass \$200 million in 1960. There have been no proposals of a merger with Martin Co., he added, but Martin has acquired between 11% & 12% of GPE stock on the open market and there have been discussions of Martin representation on the GPE board.

Consolidated Electrodynamics Corp. would operate as a subsidiary of Bell & Howell under the terms of the merger agreement formally approved last week by directors of both companies (Vol. 15:44 p23). Subject to vote by stockholders of both companies Jan. 12, Bell & Howell would issue 3 additional common shares for each 4 shares now held and Consolidated shareholders would receive one Bell & Howell common share for each Consolidated share held. Consolidated Pres. Philip S. Fogg would continue as pres. & chief exec. officer of the subsidiary. Three Consolidated directors have been nominated for the Bell & Howell board—Fogg and Dr. Robert F. Bacher & Dr. Frederick C. Lindvall, both of Cal. Institute of Technology.

Loew's Inc. rebounded from 1958's losses to rack up a resounding \$7.7 million profit in the fiscal year ended Aug. 31, 1959, Pres. Joseph R. Vogel reported last week. He said that the movie-maker's uptrend "is continuing strongly in the current fiscal year." Stepped-up revenue from TV contributed to the profit turnabout. Vogel noted that under contracts existing on Aug. 31, Loew's Inc. has about \$31,218,000 remaining to be earned from the licensing of pre-1949 motion pictures to TV. He forecast that the current fiscal year, ending Aug. 31, 1960, will be another "peak year" for TV rentals, that income from this source will peak in 1961 and decline each year thereafter. Gross income since the start of the TV licensing program has amounted to more than \$25 million. For the fiscal year ended Aug. 31, 1959:

	1959	1958
Total income	\$130,970,376	\$112,320,958
Net income (loss in '58)	7,698,951	(1,195,862)
Earned per share	2.91	—
Shares outstanding	2,641,288	2,668,388

Paramount Pictures' consolidated net income from operations dropped slightly in the 3rd quarter and 9 months ended Oct. 3. During the quarter, a special income of \$198,000 from installment sales of films increased the total net income to \$1,349,000 (79¢ a share) compared with the year-ago quarter's \$2,955,000 special & \$4,197,000 (\$2.33) total income. For 9 months, special & total incomes were \$2,965,000 & \$6,609,000 (\$3.88) vs. \$10,662,000 & \$14,469,000 (\$8.04) for 1958's first 3 quarters. For 9 months ended Oct. 3:

	1959	1958
Net income from operations	\$3,644,000	\$3,807,000
Earned per share	2.14	2.11
Shares outstanding	1,703,927	1,799,116
For the quarter ended Oct. 3:		
Net income from operations	\$1,151,000	\$1,242,000
Earned per share	68¢	69¢

Desilu Productions Inc. net income for the 6-month period ended Oct. 31 was \$507,108, as compared with \$75,234 for the 24 weeks ended Oct. 18, 1958. This is reflected in earnings per share, which rose to 44¢ from 22¢ for all of last fiscal year. Pres. Desi Arnaz said gross income of \$10,717,953 represented a 30% increase over the same period of last year. Since the last interim report was issued, Desilu has been renting space to *Pony Express*, *Miami Undercover* and some segments of *The Red Skelton Show*. The company also has made interim commitments with networks & syndicators for new pilots, Arnaz added. He made no mention of overtures by NT&T to buy controlling stock of Desilu (Vol. 15:45 p16, 46 p16), but did say that Desilu had recently finished a \$150,000 expansion program at its Culver City lot.

Paced by rising broadcasting income, AB-PT's 4th-quarter earnings will show "a substantial increase," Pres. Leonard Goldenson told a special stockholder meeting in N.Y. last week. He noted that the company's theater business should also show an increase over 1958. The ABC network, he added, has committed more than \$70 million to programming this year, and its gross time billings will have increased about 21% for all of 1959. He predicted that "international TV should become a working reality in the next 5 or 10 years, possibly through the use of [space] satellites," and stated that AB-PT expects to increase its investments in foreign TV operations. Stockholders approved stock options on 350,000 shares of common for key executives & employes (Vol. 15:43 p19).

Warner Bros. Pictures bounced back from 1958's \$1 million loss with a \$15.8 million net income for the 1959 fiscal year ended Aug. 31. The 1959 income includes a \$6.5 million profit (\$4.10 a share) from the sale of the company's ranch. The 1958 loss included provision of \$3 million for an estimated loss on advances to independent producers. For the fiscal year ended Aug. 31:

	1959	1958
Film rentals & sales	\$85,387,000	\$68,323,000
Net income (loss in '58) .	15,875,000	(1,023,000)
Earned per share	10.01	—
Shares outstanding	1,595,196	1,745,196

Stock of the Outlet Co., Providence, R.I., dept. store which owns WJAR-TV & WJAR, will be re-listed on the N.Y. Stock Exchange Mon. Nov. 30. Trading was suspended March 2 because too few shares remained in public hands following deposit of most of the shares under a purchase offer by the 91065 Corp., owned by William Zeckendorf & John C. Mullins. After losing a legal challenge by station mgr. Joseph S. (Dody) Sinclair, 91065 returned the shares to the original stockholders (Vol. 15:45 p12).

WJR The Goodwill Station Inc. (WJRT Flint & radio WJR Detroit) reports decreased earnings on higher sales for the first 9 months of 1959 as compared with the same 1958 period. For 9 months to Sept. 30:

	1959	1958
Revenues	\$2,914,779	\$2,352,012
Net earnings	199,131	254,238
Earned per share	33¢	44¢
Shares outstanding	602,764	572,552

Trading in MCA shares began last week on the N.Y. Stock Exchange. Symbol: MCA.

Wometco Enterprises has purchased Great Southern Vending Co., Jacksonville.

AMP Inc. (solderless terminals, components) is now traded on N.Y. Stock Exchange. Symbol: AMP.

Reports & Comments Available: RCA and GE, reports, Pershing & Co., 120 Broadway, N.Y. 5 . . . Standard Coil Products, comments, Montgomery, Scott & Co., 120 Broadway, N.Y. 5 . . . Time Inc., discussion, Loewi & Co., 225 E. Mason St., Milwaukee 2 . . . Walt Disney, report, W. E. Hutton & Co., 14 Wall St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	—	\$0.35	Dec. 30	Dec. 16
Bendix Aviation	Q	.60	Dec. 29	Dec. 7
Bendix Aviation	Stk.	5%	Jan. 22	Dec. 7
British Industries	Q	.12½	Dec. 21	Dec. 11
British Industries	Ex.	.12½	Dec. 21	Dec. 11
British Industries	Stk.	2%	Dec. 21	Dec. 11
Cornell-Dubilier	—	.05	Dec. 31	Dec. 16
GE	—	.50	Jan. 25	Dec. 18
Mallory (P.R.)	Q	.50	Feb. 1	Jan. 15
National Co.	Stk.	2%	Dec. 22	Dec. 11
National Co.	Stk. Ex.	1%	Dec. 22	Dec. 11
Paramount Pictures ..	Q	.50	Dec. 21	Dec. 4
Philco	—	.25	Dec. 18	Dec. 7
Radio Condenser	—	.05	Dec. 21	Dec. 1
Radio Condenser	Ex.	.05	Dec. 21	Dec. 1
Sprague Electric	Q	.30	Dec. 14	Nov. 27
Sprague Electric	Stk.	2%	Dec. 14	Nov. 27
Time Inc.	—	1.00	Dec. 10	Nov. 27
Warner Bros.	—	.30	Feb. 5	Jan. 15
Wells-Gardner	—	.30	Dec. 15	Dec. 1
Wells-Gardner	Ex.	.20	Dec. 15	Dec. 1

WEEKLY **Television Digest**

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

AROUSSED FCC BEGINS TIGHTENING SCREWS, asking all stations to report payola incidents & policing plans; cracking down in other areas (pp. 1 & 6).

FCC PROPOSES SIMPLE BOOSTER STANDARDS, but most existing operators would have to buy new equipment or re-work old to meet "translator" requirement (p. 4).

ATTACKING FCC LOGJAMS, Federal Communications Bar Assn. schedules shirt-sleeve session on delays (p. 6).

Stations

NAB'S TV CODE TOUGHENED & tightened by TV Board in new regulations covering quizzes, payola, ad frauds, program fakery, news interviews (pp. 3 & 6).

TASO-LIKE ORGANIZATION for stereo radio proposed by NSRC to bring RCA & CBS back into fold (p. 5).

Auxiliary Services

TELEPROMPTER BREAKS INTO CATV, buying systems in Silver City & Farmington, N.M. and Rawlins, Wyo., and taking options on 11 more setups across country (p. 4).

Advertising

FTC HOLDS FIRE in big TV-radio offensive vs. commercials, but hits 9 record makers & distributors in new drive (p. 2 & 12).

Film & Tape

ACTION ON FILM EXPORT BAN takes place as 17 telefilm companies which sell the overseas market discuss an organization to combat quotas, restrictive prices (p. 14).

Manufacturing & Distribution

BRIGHT PICTURE for Christmas season & first-half 1960, as business prognosticators unanimously see consumer spending boom continuing at least 6 months more (p. 17).

STEREO DE-CONFUSION DRIVE to be launched by EIA phono manufacturers with \$500,000 war chest. Non-technical campaign will stress music (p. 17).

FM AUTO RADIO, to be introduced by Motorola, may give another boost to rising FM market. Hi-fi quality claimed for easily installed deluxe set (p. 18).

RCA RESHUFFLES TV-radio-phono activities into a single home-instrument organization, with J. S. Beldon running marketing, ex-ITT-Federal Pres. D. L. Mills handling operations (p. 19).

TV-RADIO SALES & OUTPUT in Oct. drop seasonally from Sept., but continue well ahead of 1958 figures (p. 19).

Networks

SELF-REGULATION GROWS in TV industry as CBS-TV tightens controls on payola & programs, NBC creates a new super-censor, and stations give new support to NAB code (pp. 3 & 9).

FCC SPOT-REP DECISION ATTACKED by NBC & 4 of its repped stations. CBS & its stations decide not to object. NBC offers substitute (p. 10).

SPACE TV RELAY TESTS to be foreshadowed next spring by first of 3 experimental passive communications satellites. NASA invites experimenters to have a free bounce (p. 11).

Other Departments

PERSONALS (p. 14). **FINANCE** (p. 22). **ETV** (p. 23). **FOREIGN** (p. 24).

AROUSSED FCC BEGINS TIGHTENING SCREWS: Powerful weight of FCC is now in motion. Fully aware of its tremendous strength & responsibilities, Commission is carefully entering the critical field of programming. Momentum is great. Pressure is on, no end in sight.

Commission is moving cautiously on programming, leading off with massive exploratory hearing starting this week (Dec. 7), largely because Chmn. Doerfer is genuinely fearful lest the ponderous hand of govt. constrict freedom of TV & radio in violation of First Amendment. (For list of early hearing witnesses, see p. 6.) But majority of his colleagues see no such danger.

Most indicative of FCC's "let's act" mood is the sweeping nature of its move last week in an area where it has no doubt about its authority—violation of law through payola, which amounts to concealed sponsorship, prohibited by Sec. 317 of Communications Act. Meanwhile, FTC moved swiftly with its first payola complaints, naming names (see p. 12).

FCC wrote to every station in the land, asking them to list by Jan. 4 every instance of payola or "sneaky commercials" of any kind occurring since Nov. 1, 1958. And it asked each licensee to tell what it's doing to stop or prevent the practice.

Commission action raises good question as to how far Rep. Harris will go in his payola investigation. Congressional hearings are designed to explore need for new laws. There seems to be no question that existing law covers payola adequately and that FCC is trying to enforce it.

FCC's attitude is not punitive. It wants under-the-table practices stopped but isn't out to make an example of anyone. But—how about Internal Revenue Service? Evidently, IRS agents will be able to examine stations' responses to FCC's questions, and some sad DJs, et al, will be asked serious questions about their income tax returns. (for exact language of FCC's questions, see p. 6).

Commission's payola inquiry could be a public relations boon to industry, because almost all stations will reply "no payola here" and FCC will report that fact. There's no plan to make replies public. Project has been turned over to FCC's Renewal & Transfer Div., under its experienced & reliable chief, attorney Joseph H. Nelson.

Individual stations which happen to be in trouble with FCC for one reason or another find Commission getting tough. Last week, for example, radio KIMN Denver was asked to show cause why its license shouldn't be revoked because a disc jockey had broadcast material that was "vulgar, indecent, ribald, offensive, in bad taste, suggestive, with double meaning, and/or obscene." The DJ has been fired, and KIMN management has given assurances that such things won't happen again. Once upon a time, that might have been enough for FCC. It isn't now. Revocation proceedings are extremely rare. Also last week, license renewal of radio KMAC San Antonio was designated for hearing because owner Howard W. Davis, in competitive hearing for Ch. 12, misrepresented his financial situation. In May 25, 1956 decision, won by KONO-TV, Commission upbraided Davis for "lack of candor."

According to those canny Washington weathervanes, the TV-radio attorneys, the honeymoon is over. Several have told us that they've been warning clients that they'd better get their houses in order, that FCC is truly aroused & dangerous. You can expect tightened regulation all along the line.

FTC HOLDS FIRE IN BIG TV-RADIO OFFENSIVE: In what had been billed as broadcasting's big ordeal by Federal Trade Commission fire (Vol. 15:48 p1), 6 top TV & radio chiefs lined up warily last week before all 5 FTC members. They came away from face-to-face confrontation 1½ hours later, displaying no more wounds than industry already had suffered from TV quiz scandals.

"We mean business," said FTC Chmn. Earl W. Kintner sternly at outset of unprecedented showdown on questionable advertising practices. He had summoned CBS, NBC, ABC, MBS, and NAB leaders to session to confess their sins, propose self-reforms and prepare to defend themselves against major onslaughts mounted by fraud-policing agency. "We are convinced that you mean business," Kintner observed at end of session, which he described as "very worthwhile & excellent." Closed meeting had first been scheduled, in line with FTC procedures for informal industry conferences, but Kintner at last minute threw it open to public & press—which saw no fireworks (see p. 12).

"The Commission is heartened by all this activity in the industry," Kintner said after CBS's Frank Stanton, NBC's Robert E. Kintner (no relation), ABC-TV's Oliver Treyz and MBS's Robert F. Hurleigh told about self-regulation measures already taken by networks. He also said FTC would count on "close cooperation & liaison" with NAB's Harold E. Fellows & Donald H. McGannon, who reminded FTC that TV Code was being tightened (see p. 3).

"We're very happy over the information we have received here," FTC Comr. Robert T. Secrest chimed in. And all FTC members stressed that despite their apparent concentration on broadcast commercialism now, they are equally concerned about advertising deceptions in print media.

"We are not playing favorites here," Kintner assured broadcasters' spokesmen. "The smoke produced by a few illegal fires has set up a pall of suspicion over [the TV-radio] industry whose genuine usefulness to the nation's economy can ill afford it. I would go further & say that, while the existence of the fires cannot be doubted, they have produced an amazing amount of smoke. Indeed, they have created more public consternation than equally dangerous fires burning in other media."

FTC's heat hasn't been taken off broadcasters & sponsors. But at least no new anti-TV-radio blazes were set at last week's summit meeting, which will be followed by others. We asked Kintner next day if he had had any second thoughts about it. "No," he told us. "I & my colleagues are tremendously pleased with the meeting. We feel that the stage was well set for further cooperation between the Commission & the industry."

NAB'S TV CODE IS TOUGHENED & TIGHTENED: Acting in bitter backwash of TV quiz scandals, NAB's TV Board last week met in emergency session, adopted half-dozen amendments to industry's self-regulating Code. All of them were hopefully drafted as TV's own answer to cries in and out of Congress that what TV needs is more govt. control.

"This is a belt-tightening operation," said Chmn. G. Richard Shafto (WIS-TV Columbia, S. C.) following closed meeting in Washington's Shoreham Hotel, where 14-man TV Board pored over recommendations of Code Review Board (Vol. 15:47 p3) for 3½ hours before agreeing on precise language of revisions.

But it was more than belt-tightening for TV. In open acknowledgment that industry has been badly hurt by quiz exposes, rash of payola disclosures and related troubles, TV Board went over industry's wounds one by one, tried to prescribe sure cures for them.

Whole field of criticism of TV was covered—in more or less stern language—by Code revisions (for texts, see p. 6). New regulations called on telecasters themselves to: (1) Outlaw rigged contest shows. (2) Eliminate payola in all its varied forms. (3) Clean out fraudulent commercials. (4) Prevent fakery in shows. (5) Keep news interviews "ethical."

TV Code now provides "highest possible ethics" for telecasters to observe, Chmn. Shafto said, adding loyally that he thought such ethics already "are portrayed by nearly all broadcasters." The revised Code, he added, is just "a sharper defining of what constitutes good taste."

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Big questions left hanging by TV Board's refurbishing job on Code are: (1) Will it satisfy govt. critics of TV practices? Nobody knew at last week's end, although in 5-page letter to one of them—Senate Commerce Committee Chmn. Magnuson (D-Wash.)—Review Board Chmn. Donald H. McGannon said it should. However, Magnuson said he still will call industry on carpet for showdown conference early in Jan. (Vol. 15:47 p5). (2) Will all TV respond to stiffer self-rules of conduct? Nobody had any confident answer to that one, either, although new applications for Code membership (present enrollment: 285) were reported piling up at NAB HQ.

STANTON REPORTS ON CLEANUP: Stricter program control in TV is what a whopping 66% of the U.S. population feels is necessary now, although 2 out of 3 in this group "look to the networks to do the regulating" and only one out of 5 think "the regulation should come from government." That's what CBS Inc. Pres. Dr. Frank Stanton told a capacity audience of the Academy of TV Arts & Sciences in N.Y. Dec. 3.

Stanton's speech echoed much of what he has said earlier about the post-quiz need for tighter self-regulation by networks, but brought several new facts to light. He also quoted a Gallup organization study which shows that 92% of U.S. citizens are "aware of the quiz show scandal."

CBS is moving on 3 fronts in its own self-regulation efforts, reported Stanton: (1) production practices, (2) commercials & advertising, (3) program content & balance. The general philosophy, "to remove all possibility for public deception," is already being implemented at CBS with new directives (see p. 9), and is generally being followed—with somewhat less fanfare—at the other 2 networks.

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Special study for CBS-TV has been launched (reportedly with the Columbia U. Bureau of Applied Psychology) to determine "what people want from TV," Stanton told ATAS members. The study will "provide an interpretive dimension to sheer nose-counting" and aid CBS-TV in determining "program balance." Improved quality of programs fitting such a balance, Stanton added, was largely "a challenge to the creative artists of TV."

Research already validates quiz axings on CBS-TV (total of 5 daytime hrs., 30-min. at night), reported Stanton. Gallup's findings showed that 38% of respondents thought the oustings were "the right thing to do;" 20% disapproved of the action.

Networks can't go it alone in the housecleaning process when it comes to commercials, Stanton cautioned. "Any practical attempt to change the standards of commercials involves 3 groups—the advertisers, the networks, and the more than 500 individual TV stations." Stanton also noted "with great satisfaction" the current redrafting of the NAB Code.

FCC PROPOSES SIMPLE BOOSTER STANDARDS: FCC's ideas about minimum standards for vhf boosters (Commission calls them "translators") finally emerged last week as the Commission proposed a set of not-too-tough standards—much as expected (Vol. 15:44 p12).

This may mean that the great Western booster rebellion is all over but the shouting—though it's doubtful. Commission has "decided" the booster situation many times, only to have Western Congressmen undo it. Current move is in form of proposed rule-making, with interested parties given until Jan. 11 to comment.

Important aspect of Commission action is that new rules, if they become final, affect only new boosters. Presumably, the 1,000-1,500 or more existing boosters would be given time to comply with new standards—maybe year or two. Apparently, few now in operation would fit new rules. FCC still awaits new law which would forgive booster operators for having built without Commission approval. Here are major provisions of proposed rules:

- (1) One-watt ceiling.
- (2) No minimum mileage separations from regular TV stations.
- (3) Boosters must cease operations if they interfere with stations.
- (4) Booster operators must settle inter-booster interference "by mutual arrangement."
- (5) Only FCC-approved equipment may be used.
- (6) Operator requirements are "observation & remote control & an automatic cut-off device."
- (7) No "on-channel" operation, i.e., booster must use a channel other than that of station picked up. Since boosters have to "translate" from picked-up channel to another, FCC terms the devices "translators."
- (8) Licensing & operational requirements same as for uhf translators.

Very few existing boosters would meet new standards, we're told, principally because most are "on-channel." This means purchasing of new equipment or extensive re-working of old.

FCC also gave current booster operators an extension of "grace period" (no prosecution for unauthorized construction) to March 31, noting that "forgiveness" legislation is pending in Congress.

Comments of regular station operators are awaited with particular interest, because Commission says nothing about potential competition from boosters. Last week, FCC declined to bar CATV systems from bringing in big-city programs which duplicate those offered by small local stations (Vol. 15:48 p12). Because booster signals are free and may cover more homes than CATV systems reach, potential competition could be greater than that from CATV.

In another significant & related move last week, Commission resumed granting microwaves to serve CATV systems in cities with local TV stations. It granted 4-channel microwave to Antennavision Service Co., for potential CATV in Yuma, Ariz., and authorized modification of microwave feeding Ardmore, Okla. Both cities have stations. This is taken to mean that FCC reaffirms its previous decisions holding that it won't consider economic impact of CATV on local stations.

TELEPROMPTER BREAKS INTO CATV: Lively TelePrompTer Corp., which started out making studio cuing devices for TV performers, then spread into closed-circuit show production and big-screen theater showmanship for championship fights, has diversified again—into community antenna TV business.

Cash investments of \$747,000 in 3 CATV systems by TelePrompTer—and plans for dozen more acquisitions—were disclosed last week in SEC registration statement by company (File 2-15876) covering 2 proposed stock issues. Rumors that Chairman-Pres. Irving B. Kahn was negotiating in field (where such deals traditionally are played close to chest) had been heard within trade in recent months.

In initial CATV venture, TelePrompTer laid out \$150,000 Nov. 2 for purchase of Antennavision's Silver City (N.M.) system (700 subscribers, 1,200 potential customers), SEC was told. On Nov. 25 TelePrompTer signed contract to pay \$485,000 and 21,600 common shares for Farmington (N.M.) Community TV Inc.'s setup (3,500 customers, 6,000 potential). As part of that deal, it will buy Shirley Basin Transmission Co.'s microwave facilities for \$90,000. On Nov. 25, TelePrompTer also closed deal to buy Rawlins (Wyo.) Community TV Co.'s system (1,400 subscribers, 2,500 potential) for \$110,000 plus 5,066 shares—and Rawlins Music Inc. for \$3,000. Negotiations for TelePrompTer were handled by Denver's Daniels & Associates.

TelePrompTer has options to acquire at least 11 additional systems "around the country," according to Kahn, who wouldn't pinpoint them. "We have very definite plans for CATV," Kahn told us. He declined to go into any detail pending SEC action on stock registration, but indicated plans included equipment manufacturing as well as operating end of CATV business. "We have a great many ideas in mind," Kahn said. Some CATV operators speculate that one of them may be the use of CATV for pay-as-you-see movies. TelePrompTer contemplates no change now in operations or personnel of N.M. & Wyo. systems, however.

"We are in group communications," Kahn pointed out. "And what is more in group communications than community antenna operation?"

TelePrompTer's new CATV business will be financed by public sale of 125,000 shares of \$1 par common stock and issuance of 26,666 additional shares for Silver City, Farmington & Rawlins transactions, according to SEC statement. Public offering (price & terms to be supplied in amendment to statement) is underwritten by group headed by Bear, Stearns & Co. Of proceeds, \$150,000 would be used to reimburse company's treasury for Antennavision purchase, \$690,000 for Farmington and Rawlings buys, \$100,000 for prepayment of bank note balance due Dec. 31, 1960. TelePrompTer earned 37¢ per share in first 1959 half vs. 40¢ in similar 1958 period (Vol. 15:39 p19).

'LITTLE TASO' FOR STEREO RADIO? In an attempt to bring RCA & CBS back into its fold, the EIA has been sounding out FCC on possibilities of reorganizing its National Stereophonic Radio Committee along lines of the industry-govt. TV Allocations Study Organization—with direct FCC participation. Still awaiting a reply is an Oct. 15 letter from EIA Pres. D. R. Hull to FCC Chmn. Doerfer.

RCA & CBS pulled out of NSRC last winter because their attorneys feared possible anti-trust implications in working with competitors in the all-industry group formed to analyze & test possible stereo broadcasting system proposals (Vol. 15:12 p4). Both RCA & CBS have developed their own AM stereo broadcast systems—and RCA has petitioned for FCC approval of its standards.

TASO pattern for NSRC, as proposed by NSRC's administrative committee, would give members reasonable assurance of immunity from anti-trust prosecution in connection with stereo cooperation. It would involve approval by Justice Dept. of plans for the group. Each meeting would be chaired by an FCC representative and cover an agenda pre-approved by FCC. Matter now lies in lap of Commissioners—although no formal petition has been filed. NSRC hasn't received even informal opinion on FCC reaction yet.

NSRC wants RCA & CBS in on its AM system discussions, although it is now beginning to consider AM proposals without them. As far as FM stereo systems are concerned, its system specifications panel is nearly finished, transmitter & receiver panels are up to date, and one big job remains—field testing.

Field testing of FM stereo systems is about to begin—in Panel 5, headed by NAB engineering dir. A. Prose Walker. Tests will probably be conducted in Washington, using local FM stations, so that FCC members & staffers can easily observe & listen. NSRC obviously isn't going to come up with its findings in time for FCC's Dec. 11 deadline for FM stereo comments. At its meeting in Los Angeles Dec. 4, EIA board voted to endorse NSRC Chmn. C. Graydon Lloyd's request for extension of FCC deadline to March 15.

How soon after March 15 will FCC approve FM stereo standards? If NSRC makes clear-cut recommendation—and there's no opposition—Commission's FM stereo rules could come out as soon as 60 days after deadline, by mid-May. But most Washington observers feel that 6 months may be more realistic. It's good guess, too, that standards for stereo on AM band won't be established by FCC in 1960—particularly if NSRC must go through time-consuming reorganization.

FCC hasn't actually asked for AM stereo proposals yet. But because of interest in subject and because of fear of possible industry stalling, Commission is expected to put out notice very soon setting deadline for submission of system proposals for transmission of compatible stereocasts on AM broadcast band.

Auxiliary Services

Telemeter's Toronto toll-TV project "has been fabulously successful to date [and] solicitors are signing up about 7 out of every 10 families interviewed," Louis A. Novins, International Telemeter pres. said last week. Novins was answering Joseph Strauss, pres. of the Quebec Theatre Owners Assn., who claimed "there is strong evi-

dence in Canada of public disappointment over announced programming content" of the Telemeter project. Strauss claimed subscription solicitation is far behind Novins' schedule. "We are now adding about 250 homes a week," Novins said, "and we have hardly begun our planned promotional campaign."

Translator Grants: Ch. 70 & 74 to Kilauea-Kau Community TV Assn., Naalehu, Hawaii.

The FCC

More about

FCC Payola Questions: Every one of the nation's TV & radio stations, commercial & non-commercial, is being given only a month to come up with a report to the FCC on its payola situation (see p. 1). In announcing its letter to licensees, the Commission underlined the fact that replies must be "verified & in triplicate." The questions:

"1. Since Nov. 1, 1958, what matter, if any, has been broadcast by any of your stations for which service, money or any other valuable consideration has been directly or indirectly paid, or promised to, or charged, or accepted by your station or stations, or anyone in your employ, or independent contractor engaged by you in furnishing programs, from any person, which matter at the same time so broadcast has not been announced or otherwise indicated as paid for or furnished by such person?"

"2. What internal controls & procedures have you established to provide you with information concerning the remuneration, other than that paid by you, that has been or may be received by individuals in connection with participation in the preparation & presentation of programs broadcast by your station?"

FCC Witnesses Line Up: A lead-off list of 19 witnesses among a half-hundred waiting to be heard was drawn up last week by FCC for first 2 days of its big programming hearings (see p. 1). They are:

Dec. 7: National Council of Churches, associate gen. secy. Judge James W. Wine. National Catholic Welfare Conference, Pres. Very Rev. Celestin J. Steiner of U. of Detroit. Jewish Theological Seminary, Provost Dr. Bernard Mandelbaum. National Congress of Parents & Teachers, Pres. Mrs. James C. Parker. National Assn. for Better Radio & TV, Pres. Mrs. Clara S. Logan. National Council of Women, Mrs. Julian Whittlesey. Joint Council on Educational TV, exec. dir. Ralph Steetle. Assn. of Better Business Bureaus, Pres. Victor H. Nyborg. National Grange, Roy Battles.

Dec. 8: American Assn. of University Women, Martha A. Cable. Educational TV Council, Pres. Chloe Gifford. General Federation of Women's Clubs, Pres. Chloe Gifford. National Farmers Union, Dir. Angus McDonald. National Educational TV Assn. Inc., Pres. John White. Greater Washington Educational TV Assn. Inc., Mrs. Edmund D. Campbell. Dr. Walter B. Emory, U. of Mich., American Assn. of Land-grant Colleges & State Universities. Consumers Union, editorial dir. Mrs. Mildred Brady. American Medical Assn., co-chmn. Dr. Eugene F. Hoffman of TV, radio & motion picture advisory committee.

Attacking FCC Logjams: The Federal Communications Bar Assn., goaded by frustrated clients & the overloaded FCC, has called a special meeting in an effort to thaw the almost-congealed Commission processing of applications. The session is scheduled for 8 p.m. Dec. 10 in the Federal Room, Statler Hotel, Washington.

FCC members and top staff people have been invited to attend the meeting, agenda of which was planned by Theodore Baron, to hear discussion of these points (moderators' names in parentheses): Routine application processing (Frank Fletcher), procedures before hearings (Roger Wollenberg), hearings (Norman Jorgensen), post-hearing procedures (Baron), rule-making (Paul Dobin).

Stations

More about

TV CODE—NEW EDITION: Following are textual revisions & additions in NAB's TV Code as adopted Dec. 4 by the TV Board at a special meeting in Washington:

On "acceptability of program material" (Preamble insert): "The intimacy & confidence placed in TV demands of broadcasters, the networks and other program sources, that they be vigilant in protecting the audience from deceptive program practices."

On quizzes (new paragraph Z under "Program Material"): "Quizzes & similar programs that are presented as contests of knowledge, information, skill or luck must in fact be genuine contests and the results must not be controlled by collusion with or between contestants, or any other action which will favor one contestant against any other."

On fakery (new paragraph AA under "Program Material"): "No program shall be presented in a manner which through artifice or simulation would mislead the audience as to any material fact. Each broadcaster must exercise reasonable judgment to determine whether a particular method of presentation would constitute a material deception or would be accepted by the audience as normal theatrical illusion."

On news interviews (new paragraph 10 under "Treatment of News & Public Events"): "All news programs should be governed by accepted standards of ethical journalism under which the interviewer selects the questions to be asked. When there is advance agreement materially restricting an important or newsworthy area of questioning, the interviewers will state on the program that such limitation has been agreed upon. Such disclosure should be made if the person being interviewed requires that the questions be submitted in advance or if he participates in editing a recording of the interview prior to its use on the air."

On payola (new "Production Practices" section): "The broadcaster shall be constantly alert to prevent activities that may lead to such practices as the use of scenic properties, the choice of identification of prizes, the selection of music & other creative program elements, and the inclusion of any identification of commercial products or services, their trade names & advertising slogans, within a program dictated by factors other than the requirements of the program itself. This expressly forbids the acceptance by producer, talent or any other personnel of cash payments or other considerations in return for including any of the above within the program."

On fraudulent commercials (new paragraph H under "Presentation of Advertising"): "The role & capability of TV to market sponsors' products are well recognized. In turn, this fact dictates that great care be exercised by the broadcaster to prevent the presentation of false, misleading or deceptive advertising. While it is entirely appropriate to present a product in a favorable light & atmosphere, and techniques may be used to depict the characteristics of the product as they appear in actuality, the presentation must not, by copy or demonstration, involve a material deception as to the characteristics, performance or appearance of the product."

WKST-TV, shifting from Ch. 45 to Ch. 33 and changing designation from New Castle, Pa. to Youngstown, O., began Nov. 29 as ABC-TV Youngstown outlet.

LEAN YEAR FOR LOOT: In the wake of new payola probes in Washington, plans were afoot among major record labels, we learned in N.Y. last week, to trim the traditional Yuletide TV-radio loot by an average of 50-75% (no more deluxe stereo sets; instead, Scotch, cheese & cookies for disc jockeys & TV personalities).

The cutback is far from one-sided. Several of the top disc jockey names have reportedly advised record industry contact men to "skip Christmas this year"—a direct result of the new trend toward tighter self-regulation by networks & stations in areas where payola or plugs have been an accepted part of the broadcast business.

On other payola fronts, the TV-radio industry was going through further firings, soul-searching and defensive action. In New Orleans, RAB Pres. Kevin Sweeney snapped back at press coverage of payola developments in a speech before the New Orleans advertising club, terming it "the most overplayed newspaper story of 1959," and suggested that newspaper publishers "tidy up your own payola."

At least one major newspaper was taking no chances that the payola finger would be pointed in its direction. N.Y. *Times* publisher Arthur Hays Sulzberger circulated a memo to the paper's staff concerning Christmas gifts from contacts. "I think it appropriate to ask that we not accept gifts of substantial value from such sources," he said.

More Steps by Broadcasters

More anti-payola measures were taking place on the broadcaster level, meanwhile. NBC circulated an affidavit to officials of the network and o&o stations, demanding to know if they had any direct or indirect ownership in the music field (including any held by an executive's wife), whether they acted as personal manager or agent for any artist, or whether they received "anything of value for the use of music on the air."

Disc jockey Alan Freed, bounced from his local TV-radio shows in N.Y. (WNEW-TV & radio WABC), declined to sign a waiver of immunity and refused to appear before a grand jury probing payola. WNEW-TV has already been asked by DA Frank S. Hogan to produce the station's financial records concerning Freed. At WABC, where Freed also refused to sign an I-didn't-take-payola pledge, a station official told us that Freed's replacement, Fred Robbins, had signed without argument, as had disc jockey Martin Block.

Another N.Y. radio station, WMGM (Loew's Theatres), pointedly ran full-page ads in N.Y. afternoon papers portraying a clean cut, smiling American family and headlined "a radio station is known for the company it keeps." Explained a WMGM official: "We want people to know that we reach a family audience with music & news that's not influenced by outsiders."

Another Detroit disc jockey, Mickey Shorr of WXYZ (the 5th DJ to be fired in that city since the payola probe began), found himself parted from his turntables even though he denied taking payola. He had been offered, he said, the choice of resigning or being fired. "I refuse to resign," said Shorr.

In Philadelphia, Storer Bcstg. Co., operator of WIBG, established a new programming policy whereby disc jockeys may not play music of their own choice. Station officials will select music they consider desirable. Storer recently began monitoring the daily programming of its 7 radio and 5 TV stations (Vol. 15:48 p5), as part of a "quality control" campaign.

In Hollywood, veteran sportscaster Ted Husing recalled that payola was nothing new. In fact, back in the days when he handled network radio play-by-play accounts of the football games, he was offered "as much as \$100,000 for a plug or series of plugs" for products promoted by "a group of gangsters."

Rock & roll singer Don Anthony, who has conferred with DA Hogan, and has alleged he paid disc jockeys to promote his records, claimed last week he was "intimidated" in a N.Y. subway and that his Bronx home had been "attacked by rock-throwing kids in bebop hats" who yelled "rock & roll isn't going to die . . . you'll die first." Anthony said he has given the DA's office 2 canceled checks which, he claims, represented "payola to disc jockeys."

Payola even had its international angles. In London, British Postmaster Gen. J. R. Bevins refused politely to consider a ban on commercial TV record shows proposed by Labor M.P. Roy Mason, who had charged that there were links between such record firms as Pye, Decca and EMI and TV producers that might make DJs employed by the TV firms "subject to pressure." In Germany, British-born John Paris, one of the top Frankfurt radio disc jockeys, denied there was any payola going at Hessischer Rundfunk and Radio Hamburg: "It's even difficult for a disc jockey to get free records in Germany." Christmas loot for DJ's in Europe, said Paris, consists of small items like "cigaret lighters or writing pads."

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The Grand Jury Assn. in N.Y. instructed its counsel Dec. 3 to appeal the decision of General Sessions Judge Mitchell D. Schweitzer which suppressed the presentment drawn by the grand jury investigating TV quiz shows. "To restrict the functions of a grand jury to indictments for violations of the penal law, and to restrict its reports to derelictions by occupants of public office, would remove one of the most effective deterrents to non-criminal fraud & wrongdoing," Pres. Lee Thompson Smith said.

* * *

Newspapers "newsola" was blasted editorially by radio WPTR Albany in a backlash at print media's holier-than-thou attitude on TV-radio's payola difficulties. The radio editorial described "newsola" as editorial plugs for advertisers, rhetorically asked area newspapers: "How many times have we seen in the . . . and we quote . . . 'news columns' of your papers a slanted publicity story for some big advertiser in another section of the paper?" The station roasted the newspapers for attacking TV-radio while living in a "glass house of newsola."

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"Character qualifications" of admitted TV-quiz fixer Daniel Enright, who is 50% owner (Jack Barry 50%) of radio WGMA Hollywood, Fla. (Vol. 15:44 p10), have been challenged by FCC in a letter to licensee Melody Music Inc., asking it to justify its right to operate the station. Citing testimony in House Commerce legislative oversight subcommittee hearings, FCC said Enright "had knowledge of & approved" rigging of Barry & Enright's *21 & Tic Tac Dough*. The letter said Enright also gave "apparent approval" to attempts to persuade N.Y. grand jury witnesses to lie about practices on the show. Melody Music Inc. was given 20 days "to submit a statement." FCC made no complaint against Barry, who with Enright took over WGMA in Jan. 1958. The station's regular 3-year license expires Feb. 1, 1961.

Crosley Shows its Colors: Crosley's low-light colorcastings (Vol. 15:44 p9) had its first press showcase in N.Y. Dec. 1 at a taped demonstration in the color viewing room of the RCA Bldg. The idea was hatched by Crosley Bestg. Corp.'s WLWT Cincinnati, and developed by GE, which now expects to deliver "reasonable quantities" of its direct-replacement image-orthicon tube, type GL-7629, within 2 months.

The tube represents a major breakthrough in local-level & remote colorcasting. Crosley Pres. Robert E. Dunville made his point the hard way, with a before-&-after taped demonstration of how the new GE tube, originally developed for such military uses as closed-circuit colorcasting of maps to SAC bases, can work successfully in 1/10 to 1/20 the amount of light required by standard color orthicons or even b&w gear.

Implications for color-equipped stations in the new GE tube: It makes possible remote color pickups of special events—night baseball, indoor basketball, boxing, etc.—hitherto impossible to cover in color because of the great amounts of light needed. It means less investment for a station equipped only to rebroadcast network color but thinking of adding studio cameras as well, since high-intensity lights & extra air conditioning are not necessary. It means that stations can now tape local color commercials in locations (within dept. stores, supermarkets, etc.) that could not be utilized earlier.

User price for the GL-7629, we were told by one GE official—tube dept. product sales planning mgr. W. F. McKeehan—will be "slightly higher" than the standard 3-in. orthicon color tube. GE is "looking at" the larger-tube Marconi camera now being sold by Ampex in the U.S., but has no plans as yet to make a low-light color tube for it. There is no "burn-in" on the new tube when pointed at a bright light source, and the tube's system of electron conduction (rather than ion conduction) avoids "stickiness" of image-retention, McKeehan pointed out.

NBC promotion mgrs. contest has been won by Caley Augustine of WIIC Pittsburgh, reports Al Rylander, NBC-TV dir. of exploitation. Runners-up for 2nd & 3rd honors among the nearly 100 entries were Jim Knight of WTRF-TV Wheeling, W.Va., and Charles Cash of WSM-TV Nashville. Henry F. Hines, WBAL-TV, Baltimore, placed 4th, Edna L. Seaman, WFBC-TV, Greenville, S.C., 5th. Winners in the top 5 positions will each receive an 8-day, all-expense trip to Hollywood in Jan. for tours of film studios & network facilities.

KMOX-TV St. Louis won the gold medal award of the St. Louis Art Directors Club for the best over-600-lines newspaper ad. Radio WOOD Grand Rapids won a first-place gold medal and WOOD-TV a 3rd-place bronze medal for their trade publication ads.

Edward Petry & Co. became the 16th station rep to join TvB, the bureau reported last week. In addition, 9 stations, including CFCM-TV Quebec City, have recently joined, bringing station membership to 240. All TV networks are also TvB members.

Sixty-sec. radio spots were most popular with advertisers during the third quarter of 1959, RAB recently reported after analyzing nearly a million spots and 53,000 programs. Favorite program length was 5 min.

National Radio Month, co-sponsored by NAB & RAB, will be observed next May.

Radio background music delivered to subscribers without advertising by WGH-FM Newport News isn't subject to the 8% wire & equipment service excise tax on its regular station operation, the U.S. Court of Claims ruled. Fought by the Internal Revenue Service, which may appeal to higher courts, the Court of Claims decision could result in major tax refunds for FM stations across the country—and big future tax savings. The case was carried to the Court of Claims by WGH-FM's owner Hampton Roads Bestg. Corp. following a 1956 IRS ruling that revenue from background service, delivered over a station's assigned frequency—or via closed-wire circuits—comes under the regular excise tax.

ETV leader among commercial TV stations is WTVW Evansville, claims WTVW gen. mgr. Richard Shively in a friendly note. "From 8:30 a.m. until noon each school day," he reports, "the facilities of WTVW are used by the Southwestern Indiana ETV Council to teach school in classrooms in 102 schools in 3 states. The total enrollment is 24,814. This is the 2nd year for this program which has been acclaimed as one of the most successful of the programs being partially underwritten by the Fund for the Advancement of Education." Shively presents an impressive schedule to back his claim that "WTVW is unquestionably the commercial leader in devoting time to ETV." Anyone for counter-claims?

RCA shipped 6-kw transmitter Nov. 30 to WTTG (Ch. 5) Washington; a superturnstile antenna Nov. 30 to KSWO-TV (Ch. 7) Lawton, Okla. which is planning boost to 316-kw at new site; a pylon antenna Nov. 24 to KLYD-TV (Ch. 17) Bakersfield, Cal.; monochrome TV tape recorders to WHDH-TV Boston, WAVY-TV Portsmouth-Norfolk, Reeves Soundcraft, Danbury, Conn., and Army Pictorial Center, Long Island, N.Y.

KFBB-TV Great Falls, Mont. is not a satellite as was erroneously stated in the story reporting on the fire that forced E. B. Craney's KXLF-TV Butte, Mont. off the air last month (Vol. 15:46 p14). KFBB-TV is owned by Joseph P. Wilkins and is temporarily feeding network programs to Craney's other station, KXLJ-TV Helena, Mont., which had been operated as KXLJ-TV satellite.

Off-air KTES (Ch. 19) Nacogdoches, Tex., which has been dark since Aug. 25, plans to resume operation "on or before Jan. 15, 1960" when new microwave connection with Houston will be completed.

TV & radio are musts for politicians now, NAB Pres. Harold E. Fellows said in a speech to the Fla. Assn. of Bestrs. which was read for him by NAB consultant Robert Richards. "The modern public office seeker, unless in a captive area, has little chance of victory unless he employs radio & TV," Fellows told the Orlando meeting.

RAB membership reached 1,100 radio stations last week, realizing its year-end goal, said Pres. K. B. Sweeney.

Station Rate Increases

Station	Base Hour	Minute	Date
WKBW-TV Buffalo	\$1200 to \$1250	\$240 to \$280	Nov. 1
WAGA-TV Atlanta	1100 to 1200	325 to 350	Nov. 1
KOA-TV Denver	800 to 850 ¹	235 to 260	Sept. 1
WTHI-TV Terre Haute ..	600 to 700	120 to 150	Nov. 1
WDBO-TV Orlando	450 to 600	90 to 120	Dec. 1
WEHT Evansville	400 to 440	80 to 88	Dec. 1
KRIS-TV Corpus Christi..	350 to 400	85 to 90 ²	Nov. 1
WUSN-TV Charleston ...	350 to 400	80 to 100	Oct. 1
WLUC-TV Marquette ...	200 to 300 ³	40 to 60	Sept. 1

¹New Class AA (time segments not reported), Class A remains \$800.
²20 Sec. only, new Min. rate is \$100 (7-10 p.m. daily).
³New Class AA (6:30-10 p.m. daily), Class A hour going from \$200 to \$225.

Networks

More about

SELF-REGULATION GROWS: As disc jockeys began steering away from payola-suspect rock & roll recordings in favor of adult-appeal ballads—and Jack Benny admitted to viewers he was really 43, not 39 (later in the week amending the figure to 66)—the post-quiz tightening-up process was evident last week throughout the TV industry in new moves designed to combat the ogre of more govt. control of the medium's programs & commercials.

At the network level, CBS-TV continued to set a pace for all 3 webs in announcing the kind of sweeping changes that made headlines & went a long way toward maintaining a good network image in the public's mind. On Nov. 30, an organization-directed memo from CBS Inc. Pres. Dr. Frank Stanton concerning "certain aspects of commercial bribery & payola" detailed a new set of rules. No CBS official, said Stanton, shall "accept from a 3rd party" loot or payola in any form "for the purpose of influencing his decision" in buying shows, services, or giving on-air product mentions. The same rules, Stanton added, applied to the reverse situation in which CBS was in the market to sell something. Restaurants like The Four Seasons, Sardi's East, Danny's Hideaway—which cater largely to expense-account diners—would not have to close their saloon doors to CBS personnel, however. The anti-payola rules, Stanton stated, did not apply to the usual TV "social amenities."

"Vigilance" in News Presentations

On the same day Stanton's memo was issued, Sig Mickelson, CBS News pres., issued a ground-rules memo of his own that was virtually a counterpart of exec. vp James T. Aubrey Jr.'s recent staff memo on program practices (Vol. 15:47, p9). "Special vigilance is necessary," said Mickelson, "to avoid any interposition of fiction into reality" when dealing with TV-radio news. Only genuinely "spontaneous" interviews & discussions may be identified as such on the air, and any editing is to be noted for viewers. All pre-recording, sound effects, "re-created" situations, etc., are to be labelled clearly or avoided, and all "opinion broadcasts" (paid political talks, editorials, etc.) are to be identified.

NBC-TV, in a move similar to the recent creation by CBS-TV of a Program Practices Dept. (Vol. 15:47 p3), named James A. Stabile Nov. 30 to a newly created post of vp in charge of standards & practices. Stabile, who will report to senior exec. vp David C. Adams with "direct & continuing access" to top NBC management, will have broad control over "all practices followed in connection with TV-radio programs presented over NBC facilities." Reporting to Stabile, in turn, will be NBC's long-established Continuity Acceptance Dept. headed by the network's chief censor, Stockton Helffrich. Stabile, prior to Feb. 1957, was vp & gen. counsel for ABC-TV and has most recently been in charge of talent & program contract administration for NBC-TV.

Stabile's first public move Dec. 4 was to announce a new NBC policy toward prize merchandise. Not as stringent as the CBS-TV policy, it stated that NBC "will take direct control of arrangements" for prize loot, and that merchandise giveaways will be "acquired by purchase or in exchange for identification on the program." There will be, however, "no cash payments . . . from the suppliers of merchandise" to NBC shows or producers, and all prize identification "will

conform to the codes of the NAB." Not affected is NBC's *The Price Is Right*, we were told by Goodson-Todman officials, who will now relinquish to NBC the process of rounding up the show's prizes which will continue to get name-brand TV mentions.

On a related front, NBC turned to a powerful ally—the sales ability of the TV medium itself—to get across the message that NBC could, without external controls, provide viewers with a well-balanced schedule of entertainment & cultural-appeal programs. On Dec. 5 & 6, NBC-TV pre-empted a pair of 30-min. time segments to colorcast a condensed version of the Cellomatic presentation recently given by sales vp Don Durgin to station executives gathered for the recent NBC-TV affiliates meeting in N.Y. (Vol. 15:46 p7), with Dave Garroway substituting for Durgin as host. Retitled "Television at Large," the ostensible reason for the telecasts was to fill requests by affiliates who wanted to see it again. Actually, NBC officials hope the presentation will do much to take the quiz-&payola curse off network programming by showing critics, in and out of govt. & FCC circles, that there is much on TV to please serious-minded viewers. The move marked the first time in TV network history that a full scale "prestige presentation" designed for executive consumption was given a public showcase.

At the station level, Triangle Stations vp Roger W. Clipp became the latest broadcaster to urge stations to give full support to the self-regulatory NAB Code, following much the same path as NBC senior exec. vp David C. Adams who had penned a support-the-Code letter to NBC-TV affiliates the week before (Vol. 15:48 p6). Clipp's recommendations were in the form of a letter sent to 270 TV stations which are currently subscribers to the Code. In his letter, Clipp also urged stations to consider the adoption of the NAB Code seal on all commercials & programs conforming to NAB standards, rather than the customary sign-on, sign-off positions of which few viewers are aware. He also urged previewing commercials at the story board.

CBS-TV Bans Brand-Name Price Plugs

This wasn't to be the end of the CBS-TV executive-level cleanup memos. On Dec. 2, the first organizational memo to come from program practices vp Joseph H. Ream, dealing with "identification of products or services," was circulated. In general, Ream stated that there will be "no direct or indirect identification of the brand name or of the manufacturer or supplier" of products & services included in CBS-TV shows "except where reasonable, necessary and natural." Particularly hard-hit was the practice of giving away merchandise loot to contestants or guests on TV shows. Such prizes could be identified generically ("a bottle of perfume imported from France & worth \$25 an ounce"), and might be glimpsed by the audience, but there was to be "no deliberate attempt" to give plugs. On the approved list were credits to "an enterprise associated with a special event or locale from which a broadcast originates" (facilities, transportation, etc.) where the outfit makes a "special & substantial contribution" to a show, but routine transportation plugs were out. Ream's rules have been scheduled to take effect Dec. 31.

* * *

Rating defeat, PR victory—that's one way CBS-TV's Jan. 20 axing of its 60-min. film series *The Lineup* could be described. Aside from the show's production problems (Vol. 15:48 p13) and so-so ratings (a 14.5 AA level in the first Nov. Nielsen national report), CBS yanked the show for "greater over-all program balance."

Add Summit Meetings: There were actually 2 summit-level TV conferences, not one, held in N.Y. during the past fortnight to discuss problems confronting the TV industry, it now appears. In addition to the meeting called by Y&R Chmn. Sigurd S. Larmon (Vol. 15:48 p5), there was also an informal gathering of the top officials of all 3 networks at the St. Regis Hotel. During a session that lasted nearly 5 hours, a number of proposals were made (such as the networks taking turns in airing public service shows on different nights of the week), many quiz & payola problems were discussed, but no general agreement was reached on any major point. Attending the meeting were ABC-TV Pres. Oliver Treyz & program vp Thomas Moore; CBS Inc. Chmn. William S. Paley (who called the meeting), Pres. Dr. Frank Stanton & CBS-TV exec. vp James T. Aubrey Jr.; RCA Chmn. Gen. David Sarnoff and RCA Pres. John Burns, and NBC Chmn. Robert W. Sarnoff, and other network executives.

NETWORK SALES ACTIVITY

Flurry of daytime sales at ABC-TV last week resulted from the network's steady Nielsen gains against CBS-TV & NBC-TV in the daylight hours (Vol. 15:46 p10). With most week-to-week nighttime slots sold out, other sales were primarily in network news & sports specials.

ABC-TV

Prologue 1960, Dec. 27, 9:30-10:30 p.m. Year-end news report.

Armour (Foote, Cone & Belding), *Sara Lee* (Cunningham & Wash), and *7-Up* (J. Walter Thompson)

Daytime programming, participations in daily film rerun strips.

Mastic Tile (S. R. Leon), *Kool-Aid* (Foote, Cone & Belding), *D-Zerta* (FC&B), *Shulton* (Wesley Associates), *Staley Mfg.* (Erwin Wasey, Ruthrauff & Ryan), *Whitehall Labs*, (Sullivan, Stauffer, Colwell & Bayles)

American Bandstand, Mon.-Fri. 3:30-5:30 p.m., participations.

Du Pont (BBDO) new order; *Keepsake Diamond Rings* (Flack Adv.) & *Northam-Warren Corp.* (Doherty, Clifford, Steers & Shenfield), renewals.

Cheyenne, Mon., 7:30-8:30 p.m. & *The Untouchables*, Thurs., 9:30-10:30 p.m., participations.

Harold F. Ritchie (Kenyon & Eckhardt)

Bourbon Street Beat, Mon., 8:30-9:30 p.m. & *Sugarfoot*, Bronco, Tues., 7:30-8:30 p.m., participations.

Brown & Williamson (Ted Bates)

CBS-TV

Sunday Sports Spectacular, Sun., 3-4:30 p.m., Jan. 3-April 10, 1960, highlighting sports not frequently seen on American TV. Half-sponsorship.

Schlitz Brewing Co. (J. Walter Thompson)

Daytime programming, 15-min. segs. in various shows.

Dumas Milner (Gordon Best), *Simoniz* (Young & Rubicam), *Bauer & Black* (Leo Burnett), *Armstrong Cork* (BBDO)

What's My Line, 3 programs on alt. wks. starting Feb. 14, 1960.

Florida Citrus Co. (Benton & Bowles)

SPOT-REP DECISION ATTACKED: NBC and 4 TV stations it represents in spot sales have asked FCC to reconsider its decision to make NBC & CBS quit the spot rep business (Vol. 15:45 p10). CBS decided not to ask for reconsideration. Same goes for its repped stations.

NBC petitioned for reconsideration, reopening of the record & oral argument. It asserted that FCC's decision goes too far and that the objectives sought by the Commission can be achieved by adopting the following rule:

"No license shall be granted to a TV broadcast station which is represented for the sale of non-network time by a network organization, or by an organization directly or indirectly controlled by or under common control with a network organization, if such representation resulted from any threat by such network organization to terminate or to refuse to enter into an affiliation agreement with the station so represented or with any station under common ownership or control with the station so represented. Provided, however, that this rule shall not be applicable to stations licensed to a network organization or to a subsidiary of a network organization."

NBC asserted that the Commission's decision is not supported by the evidence, is arbitrarily restrictive and "compels a needless forfeiture of private business interests and is repugnant to principles of due process." Much of NBC's brief is devoted to FCC's concern with "potential" dangers of networks in the spot rep business. Said NBC: "Abolition or divestiture is a drastic remedy and should not be invoked unless there is clear & convincing evidence of actual wrongdoing and of the necessity for imposing this remedy."

4 Stations Back NBC Appeal

NBC-repped stations asking for reconsideration were KSD-TV St. Louis, WAVE-TV Louisville, WRGB Schenectady & KOA-TV Denver. All offered arguments similar to NBC's, plus others. KSD-TV & WAVE-TV included an attack on the validity of FCC's vote. They noted that Comrs. Hyde, Bartley & Craven were absent, that Chmn. Doerfer concurred in the result but "expressly declined to participate in the findings." The stations concluded: "If this voting record does not clearly amount to illegal action, it at least operates to deprive the report & order of much of its presumptive validity."

WRGB reported that NBC never threatened it with loss of affiliation to force it to use NBC Spot Sales and that NBC Spot Sales never sought to favor NBC network sales over spot business. KOA-TV questioned both the wisdom & the legality of FCC's decision, said that it should be accorded an adjudicatory hearing before requiring "the termination of an existing contractual relationship between KOA-TV and NBC Spot Sales."

All questioned how far FCC can go in regulating the business practice of stations.

TV excursions into the *World of the Mind* will begin this month via 6 monthly 60-min. documentaries which will originate at Yale for telecast by the TV outlets of the TV-radio div. of Triangle Publications, Inc., and ABC-TV. The programs will be carried 4 p.m. on Saturdays, beginning Dec. 19. Program format calls for Yale faculty members to explore art, drama, philosophy, medicine, natural history, other scholarship fields. The debut program is slated to examine the history of Christmas in America. The broadcasts will be fed via WNHC-TV New Haven.

SPACE TV RELAY TESTS: In an unprecedented move, National Aeronautics & Space Administration last weekend announced in advance the details of its forthcoming "Project Echo" passive space-satellite tests which could lead to transcontinental & transoceanic space TV relays. First test, in which Bell Labs will participate, is scheduled for next spring (Vol. 15:40).

NASA said it was making the advance announcement to alert U.S. or foreign radio researchers & experimenters who would like to try to bounce radio signals from it or tune in to the signals bounced by NASA, Bell Labs, others.

The first test sphere will be a 100-ft.-diameter aluminum-coated inflatable plastic balloon, to orbit at a 1,000-mi. altitude, taking about 2 hours to circle the globe. It will have no electronic equipment in it—radio waves transmitted from the ground being bounced off its surface to receiving stations. The huge sphere is expected to pass over every portion of the U.S. except Alaska—but the maximum time of "mutual visibility" between East & West coasts will be about 16 min. It will be first of 3 identical test balloon satellites.

NASA's Goldstone (Cal.) tracking station and Bell Labs (Holmdel, N.J.) will attempt to communicate by means of the satellite-bounce during the 16-min. periods. Goldstone will transmit a 2,390-mc signal, Bell Labs a 960-mc signal (a little above the uhf TV band). NASA says the sphere will have a radio-wave reflectivity of at least 98% up to frequencies of 4,000 mc.

While Project Echo is described as the "first step in a long-range investigation of the application of artificial earth satellites to global communications," initial tests aren't expected to involve TV transmission directly, but may shed much light on the feasibility of transoceanic TV transmission via passive satellites.

Aubrey's Star Ascending: More reliable reports that CBS-TV Pres. Louis G. Cowan will soon resign and that he'll be replaced by exec. v.p. James T. Aubrey Jr. were circulating last week. This time there is a date attached and the rumors come not from 485 Madison Ave. but from top-level officials at CBS-TV affiliates. The Aubrey-for-Cowan move, we are told by responsible sources, could take place on, or soon after, Jan. 1. "It won't happen earlier, to avoid any feeling that Lou Cowan is quitting under quiz-probe pressure," an executive of a station group told us, "but it's practically a sure thing that it will happen."

There is a fair degree of evidence to support the theory: (1) Cowan doesn't have to be pres. of CBS-TV to make a living; he's financially comfortable. (2) He has recently been ill and is said to wish a long rest. (3) He's due to go to Salzburg, Austria for a month of teaching in Feb. 1960 and has frequently expressed a desire to join a leading university (possibly Brandeis) in a high position. (4) His former link with now defunct \$64,000 *Question*, is mildly embarrassing to CBS-TV in light of the network's front-running position in self-regulated cleanups.

Cowan is well-liked in and out of CBS-TV. He is affable, articulate and regarded as an executive of high principles. There's no question of ousting Cowan; if he leaves, it'll be under his own power and at a moment that's tactically right for both Cowan & CBS.

When queried by us, CBS-TV provided no comment whatever on the rumor, except that Cowan was scheduled to return Dec. 7 and there's a good chance he'll testify at the coming FCC program investigations.

NBC Takes News Plunge: The network-level trend toward more prime-time news & public affairs shows continued to roll last week as NBC-TV's Program Board—meeting in seclusion at a motel in Suffern, N.Y.—voted late on Dec. 4 to replace the faltering *Five Fingers* telefilm series with a series of blockbuster weekly news specials starting Jan. 23rd. The move verified again our report made earlier this season (Vol. 15:44 p6) that prestige news shows were being planned by all 3 networks as one answer to the quiz show scandals and the prodding of TV critics.

NBC's big-budget series (production costs are expected to average well over \$100,000 apiece) will be to the news field what Hubbell Robinson's Ford specials are to the entertainment world. With dir. of news & public affairs Julian Goodman acting as coordinator, they will draw on the facilities of NBC News, NBC Public Affairs and NBC Special Projects. The series, for which NBC is considering several overall titles, will feature Frank McGee as host, and will draw on the creative talents of such NBC production executives as Don Hyatt, Ed Stanley, Reuven Frank and George Heinemann. The project is a personal favorite of NBC-TV Pres. Robert Kintner, who initiated it about 6 months ago.

Theme of the shows, which will be offered for sponsorship, is news-in-depth. Already blueprinted in the first 13 shows are reports on Fidel Castro's first year, how the world began, a Charles Jackson-Philip Wylie study of alcoholism, a profile of the U.S. astronauts, summit meetings, suburbia, Antarctic exploration, baseball and guided missiles.

Particularly of interest to TV ad men is the deliberate slotting by NBC-TV of the 60-min. news series across from *Have Gun, Will Travel* and *Gunsmoke* on CBS-TV. For one thing, it will serve as an interesting test of audience interest in prime-time news shows. For another, it is a ready-made answer to critics of the medium who complain that the only thing offered viewers by the networks at night is Westerns and crime shows.

Central American Network: Latest move on the international TV scene by ABC-TV finds the network playing godfather to the birth of a 5-nation (El Salvador, Guatemala, Nicaragua, Honduras & Costa Rica) TV film network in Central America. Present at a Dec. 2 Guatemala city meeting of broadcasters from the Spanish-speaking republics was AB-PT Pres. Leonard H. Goldenson, whose company holds a 10% interest in the sole TV station in Costa Rica (Televisora).

Another meeting of the group is scheduled for Feb. 3-5 in N.Y. to enable members to confer with ABC-TV sales & technical staffs and to view the ABC operation in closeup. Inter-station exchange of programming, as well as possible group purchasing of film shows, will serve as "an important step in the breaking down of trade barriers among the participating countries," said Goldenson.

The group (which lacks an official name) has elected a pro-tem board, with A. Frank Katzentine, Miami broadcaster, named chmn. The board has agreed to invite Panama to join the proposed TV network. Donald W. Coyle, vp for ABC's international div., will represent ABC in its association with the group. Katzentine and former FCC Chmn. Paul Porter are part owners of 3½-year-old Guatemala City commercial TV outlet TG-BOL-TV.

Mexican TV station applications on file with the Ministry of Communications now total 57 and 280 radio station applications are pending, according to AP.

Advertising

More about

FTC VS. BROADCASTERS: Last week's Washington FTC-TV-radio summit conference on broadcast advertising evils produced no new quiz-sensations (see p. 2)—and only one piece of hard news: FTC is expanding its campaign against deceptive commercials to take in payola practices, too.

Hints that FTC was getting into the fast-spreading payola-probing field (see pp. 1 & 9) had been thrown out earlier by Chmn. Earl W. Kintner in a radio interview on WAIT Chicago. He made it official by telling network & NAB representatives at the advertising-practices meeting that "payola is under intensive investigation," too.

Kintner wouldn't reveal details of FTC's payola moves to reporters who questioned him after the conference, which was attended by more top TV & radio figures than usually are seen together outside NAB conventions.

But 3 days later, FTC made it clear that it means payola business. On Dec. 5 the commission filed formal complaints against 9 companies—including big RCA—accusing them of violating the FTC Act's Sec. 5, which forbids unfair or deceptive methods in commerce. The firms—3 record manufacturers & 6 record distributors—were accused of acting "alone or in collaboration" to disperse payola to "unidentified disc jockeys" who concealed such payments from their listeners. This "deception has the tendency to mislead the public into buying records" which otherwise might not be bought, FTC said, thereby suppressing competition.

In addition to RCA, record manufacturers named in the FTC complaints were London Records, N.Y., and Bernard Lowe Enterprises Inc., Philadelphia. Distributors cited for paying payola were 5 in Philadelphia—Edward S. Barsky Inc., Chips Distributing Co. Inc., David Rosen Inc., Universal Record Distributing Corp., Sparks Music Distributors Inc.—and one in Cleveland, Main Line Cleveland Inc.

FTC hasn't been overloaded with protests about payola practices—as have investigators for the House Commerce legislative oversight subcommittee, which meets Dec. 9 to decide what to do. But they're beginning to pile up in FTC mail files. At least one record firm complained to Kintner himself that a competitor's use of payola was making music competition tough.

No Public Payola Hearings Imminent

Meanwhile, Chmn. Harris (D-Ark.) of the oversight unit said that there'd be no public hearings on payola before next year, at least. This week the subcommittee will consider only "facts & information thus far looked into" by his staff, Harris said.

Action against payola was a new venture for the fraud-policing FTC, whose stepped-up campaigns against advertising deceptions—particularly in broadcast commercials—already is taking \$2.25 million of FTC's \$7 million budget. Kintner told the TV-radio industry meeting that he'll have to ask Congress for more money.

FTC money alone can't do the job of policing the broadcasting industry, Kintner added. He applauded "far-reaching vigorous and imaginative" steps already taken or undertaken by the networks & NAB for self-regulation, but appealed for more & more of it. Without it, Kintner said, "we can do very little here, even if we doubled or tripled our staff."

Industry representatives & their lawyers had come to the conference prepared for a long day of facing up to a barrage of FTC criticism of broadcasting practice. But there was little of that. None of the 5 FTC members who sat with 6 industry spokesmen at a table in room 432 of the FTC Bldg. brought up specific cases involving specific objectionable commercials.

Comments by FTC Commissioners

Sharpest points were raised by FTC Comr. William C. Kern. Suggesting that "a moral resurgence" on the part of advertisers is needed for any effective broadcasting clean-up job, he said: "I am cynical enough to believe that reformation comes rather hard along Madison Ave." He got a retort from ABC-TV Pres. Oliver Treyz: "It would be a very unfortunate thing if the thrust of this meeting is directed at advertising as an industry."

FTC Comr. Sigurd Anderson said he thought that local stations—even more than networks—could be blamed for many fraudulent or objectionable commercials seen & heard on the air. "There apparently has been a breakdown some place [in industry self-control]," he said. "This calls for real tough supervision by everyone."

Comr. Edward T. Tait suggested that fraudulent "scientific claims" for sponsors' products could be stopped before they got on the air if networks subjected the products to independent laboratory inspection first.

Otherwise, the 1½-hour conference ran along amiably—the industry side of the conference table assuring FTC of "100% cooperation" in advertising reforms, the FTC side reciprocating. "We are so pleased," Kintner said at one point, "that the industry has stepped into the breach."

In addition to ABC-TV's Treyz, industry spokesmen at the table were CBS Inc. Pres. Frank Stanton, NBC Pres. Robert E. Kintner, MBS Pres. Robert F. Hurleigh, NAB Pres. Harold E. Fellows, NAB TV Code Review Board Chmn. Donald H. McGannon.

Among network staffers on hand for the proceedings, filling 2 rows of chairs just behind their chiefs, were:

For CBS: Joseph H. Ream, vp for program practices; Thomas K. Fisher, vp & gen. attorney; Edmund C. Bunker, Washington vp; Leon Brooks, Washington attorney.

For NBC: David C. Adams, senior exec. vp; James A. Stabile, vp for standards & practices.

For ABC: Edward DeGray, radio network pres.; Mortimer Weinbach, vp & gen. counsel; Joseph Jacobs, Washington attorney.

For NAB: Thad H. Brown Jr., TV vp; John F. Meagher, radio vp; Edward H. Bronson, TV Code Affairs dir.; Vincent T. Wasilewski, gov't. relations mgr.

A phalanx of FTC staffers filled another section of chairs. Also present, as observers, were: Asst. Attorney Gen. Robert Kramer, representing Attorney Gen. William P. Rogers; John C. Harrington, legal adviser to FCC's broadcast bureau, representing FCC Chmn. Doerfer; legislative oversight subcommittee staffers Beverly M. Coleman & Hugh M. Hall Jr., representing Chmn. Harris; Nicholas Zapple, Senate Commerce Committee communications counsel, representing Chmn. Magnuson (D-Wash.)

FTC Chmn. Kintner introduced all, one by one, and asked if any had anything to say before the meeting was adjourned. None did.

New reps: KPTV Portland, Ore. to Petry Nov. 1 from Katz. WSFA-TV Montgomery, Ala. to Peters, Griffin, Woodward Jan. 1 from Katz.

Is Identification Important? A clash of viewpoints on TV sponsor-identification enlivened the Dec. 1 RTES seminar luncheon in N.Y., when George G. Huntington, TvB vp & gen. mgr., maintained it wasn't important any more and researcher Horace S. Schwerin, pres. of Schwerin Research Corp., argued that it was. Making what amounted to a case for spot TV and the "magazine concept" of participation programming at the network level, Huntington said he'd rather see "TV's dollars being spent in new research to explore the depth of impression our medium creates than in this hook of sponsor identification." What counts in commercials, he added, is more a matter of "emotional copy points . . . mood & feeling" than whether viewers associate a particular sponsor with a show. He did admit that "sponsor association" such as "the work Dinah Shore is doing for Chevrolet" created impact in special cases.

Schwerin (who explained the workings of his panel-testing of 3,000 shows & 13,000 commercials on 1,250,000 respondents in N.Y., Toronto, Montreal & London) disagreed directly with Huntington. "Commercial effectiveness & program quality are inseparably linked," said Schwerin. "Sponsor identification is important, but it must be identification with the proper vehicle if it is to be commercially effective. Where the program & commercial are in conflict, effectiveness falls off—sometimes down to zero."

Next week (Dec. 15), the RTES timebuying-selling seminar will hear from RAB pres. Kevin B. Sweeney.

Bait-&-switch guide has been issued by FTC to help advertisers stay within the law and customers avoid getting gypped. A companion to an FTC deceptive pricing guide prepared last year (Vol. 14:41 p12), the new manual of bad practices lists these illegal gimmicks which advertisers must not use: (1) "Offer a product for sale when the offer is not a bona fide one." (2) "Misrepresent a product in an advertisement with the intention of later switching customers to other merchandise by disclosing the truth about the advertised product." (3) "Discourage the purchase of advertised merchandise as part of a bait scheme to sell other merchandise." (4) "In the event of a sale of the advertised product, attempt to 'unsell' the product with the intention of selling other merchandise in its stead." Copies are available from FTC, Washington.

All advertising in all media would be deductible from income taxes as "ordinary & necessary" business expenses under an ANPA proposal submitted by gen. counsel Elisha Hanson to the House Ways & Means Committee. In testimony at hearings on possible overhaul of tax laws, Hanson argued that business firms don't advertise "in vanity"—that they spend money for space & time only when it's necessary to their interest. Such committee leaders as Chmn. Mills (D-Ark.) & Rep. Forand (D-R.I.) took a dim view of the ANPA proposal, however, Mills contending that it would "be opening the gambit for other [tax-reducing] expenditures." The Internal Revenue Service recently held that advertising for special legislative or partisan political purposes isn't tax-deductible (Vol. 15:41 p13).

Advertising Federation of America's new Education & Research Bureau has launched a program to tell advertising's story to the public, legislators, and educators & students in schools & colleges. The messages (news articles, TV-radio scripts, lectures) are being delivered via nearly 1,000 company members, 18 national ad associations & professional groups, 134 AFA-affiliated ad clubs.

Mr. Clean Cleaning Up: P&G's Mr. Clean now outsells Lestoil in markets where they are directly competitive, according to a market study released by A. J. Wood Research Corp., Philadelphia. Adell Chemical's Lestoil has been unable to hold onto the sales lead since Mr. Clean and Lever Bros.' Handy Andy moved in, says Wood. At present Clean holds 41% of the national market, Lestoil 25% and Handy Andy 21%. The study is based on 15,000 consumer interviews. No questions on TV advertising's effect on brand preference were posed in the survey.

Lestoil, whose phenomenal sales growth is credited to Adell's use of spot TV as its major ad medium (Vol. 15:29 p11), is being outstripped only by competitive use of its own major tool. TvB estimated for us that P&G spent over \$1 million (gross time) for the all-purpose detergent on network TV during the first 9 months of this year. Lever Bros.' network spending (also gross time) for Handy Andy exceeded \$2.5 million during this period. Spot figures for 1959 are not available by product breakdown, said TvB, but both P&G and Lever are heavy spot spenders and "goodly portions of their multi-million-dollar spot billings will be spent on these 2 products."

FTC consumer conference on "public deception" by "false advertising & tricky selling methods" will be held in Washington Dec. 21-22 for invited representatives of 47 civic, professional and welfare organizations, including NAB & ANPA. Others on list: American Assn. of University Women, American Home Economics Assn., Consumers Research Inc., National Better Business Bureau Inc., National Congress of Parents & Teachers. Announcing the conference, which had been recommended by an inter-agency study group sponsored by the President's Council of Economic Advisers, FTC Chmn. Earl W. Kintner said: "We at the Commission believe that the combination of hard-hitting enforcement plus encouragement of public skepticism toward spurious bargains will go far toward achieving an honest market place."

BBDO's letters to those TV stations whose rates are "out of line" won't be sent, despite a month-old plan to do so. In Oct., the agency mailed similar letters to magazines asking for an explanation of "certain distressing inconsistencies" in recent rate increases. Because of broadcast media's "trick of keeping the prime rate fairly consistent, then juggling hot little things like min. spots in fringe time," the letter plan is not feasible for TV stations, a BBDO spokesman said. "While national magazines have to be somewhat competitive, broadcasters can charge pretty much what they want. Last year . . . IDs were hot. Now they juggle daytime & fringe-time rates," he said.

Ad People: Thomas C. Dillon elected exec. vp, BBDO . . . E. Wallace Lawrence elected Cunningham & Walsh vp . . . Andrew E. Zeis, Compton Chicago div. media dir., elected vp . . . George Milliken named vp & account supervisor, Foote, Cone & Belding.

Arno H. Johnson, J. Walter Thompson vp, re-elected chmn., Advertising Research Foundation; Arthur Hull Hayes, CBS Radio pres., named vice-chmn.; Frank W. Mansfield, Sylvania mktg. research dir., re-elected treas. . . . Edward N. Mayer Jr. resigned as McCann-Erickson vp & exec. vp of its subsidiary, Sales Communication Inc., to join N.Y. office of direct mail & sales promotion agency, Dickie-Raymond Inc., as vp-gen. mgr.

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WALTER H. ANNENBERG, President

PUBLICATION OFFICE

JAMES T. QUIRK,
Business Manager
JAMES B. DELEHANTY,
Asst. Business Mgr.

Box 700, Radnor, Pa. MUrray 8-3940

MERRILL PANITT, Editorial Director
HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Sterling 3-1755
ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

NEW YORK BUREAU

625 Madison Ave.
New York 22, N.Y.
Plaza 2-0195
CHARLES SINCLAIR

WEST COAST BUREAU

6362 Hollywood Blvd.
Hollywood 28, Cal.
Davidwood 5-5210
DAVID KAUFMAN

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Personals: John T. Reynolds, ex-vp-gen. mgr., KHJ-TV Los Angeles, named CBS-TV vp for administration, Hollywood . . . Carl J. Burkland, ex-exec. vp, WAVY-TV & WAVY Portsmouth-Norfolk, Va., and formerly with CBS Spot Sales, named TIO consultant on community relations projects . . . Frederick Eichhorn appointed national sales mgr., KGW-TV Portland, Ore. . . Ken Klein, ex-radio WNEW & Metropolitan Bestg. Corp. ad & promotion dir., named PR dir., the Katz Agency.

Monroe M. Rifkin named TelePrompTer secy.-treas. . . Charles Brakefield, sales mgr. WREC-TV & WREC Memphis, elected pres. of Tenn. Assn. of Bestrs., succeeding F. C. Sowell, radio WLAC Nashville . . . Peter W. Swanson Jr. named sales service dir., WSPA-TV Spartanburg, S.C.

Don Menke named station mgr., WFBM-TV Indianapolis . . . Sterling Wright promoted from production mgr. & asst. program dir. of WSOC-TV Charlotte, N.C., to succeed Robert Provence as program dir.

NAB's Distinguished Service Award for 1960 will go to Pres.-gen. mgr. Clair R. McCullough of Steinman stations (WGAL-TV & WGAL Lancaster, Pa.; radios WDEL Wilmington, WORK York, WKBO Harrisburg, WEST Easton, WRAK Williamsport). Long active in NAB, TvB and RAB affairs, McCullough is chairman of NAB's TV Information Committee which set up the new TV Information Office in N.Y. Selection of McCullough for the award, to be presented next April 4 at NAB's 38th annual convention in Chicago, was announced by the Convention Committee, co-chaired by Thomas C. Bostic (KIMA-TV & KIMA Yakima, Wash.) and Payson Hall (Meredith stations). The citation goes annually to an individual "who has made a significant & lasting contribution to the American system of broadcasting."

Two new FCC hearing examiners have been appointed, increasing the total to 16: Walther W. Guenther, ex-asst. chief of the Office of Opinions & Reviews, and David I. Kraushaar, ex-asst. chief of Broadcast Bureau hearing div.

Obituary

Samuel L. Slover, 86, chmn. of corporations controlling WTAR-TV & WTAR Norfolk, *Norfolk Virginia-Pilot*, *Norfolk Ledger-Dispatch* and *Portsmouth Star*, died Nov. 29. His widow survives.

Film & Tape

Action on Film Export Ban: A majority of the 17 film companies represented at a Dec. 1 N.Y. meeting of parties interested in the formation of an American TV Program Exporters group indicated they would join the proposed organization. But there was an if, an ATVPE spokesman told us last week—if "a sufficient number of firms sign up so that the proposed dues structure remains intact." Under this dues structure, companies with annual export (including Canada) of less than \$1 million will pay \$7,500 a year; those exceeding \$1 million, to pay \$15,000.

At another ATVPE meeting, Dec. 4, lawyers of interested companies met for discussion of clauses in the charter which may need clarification. A 3rd meeting, for finalization of membership, has been scheduled for next week (Dec. 14) in the Banker's Trust boardroom, Rockefeller Plaza branch.

The Dec. 1 meeting was termed "successful" by William H. Fineshriber Jr., who, with attorney George Muchnic, drafted plans for the organization. Both are on retainer from a film export committee headed by CBS-TV stations div. Pres. Merle S. Jones, (Vol. 15:40 p2). Jones presided at the Dec. 1 meeting.

West Coast companies involved in telefilm program export have been invited to join the proposed N.Y. organization. Ziv, Revue and Desilu have expressed interest to date, we were told by Fineshriber. A similar group, under the auspices of the Alliance of TV Film Producers (Vol. 15:48 p12) is being considered on the West Coast. The purpose of both the N.Y. & Hollywood groups is to consider a telefilm export ban on program sales to countries (such as Japan & Britain) which maintain "restrictive" quotas & low TV prices.

Producer-director Alfred Hitchcock is utilizing facilities & crews of a telefilm company for his current movie, *Psycho*, starring Anthony Perkins & Vera Miles. Hitchcock, whose picture is to be a Paramount release, rented the facilities at Revue Productions, the company which turns out his TV series at Universal City. Revue, incidentally, is so busy meeting production deadlines on *Johnny Staccato*, *Riverboat*, *Laramie* and the pilot, *Overland Stage*, that for the first time since the company was formed in 1950, it will not take the customary 10-12-day Christmas & New Year's break. In TV, Hitchcock will be producer-director of "Incident" and "Girl with a Secret," two 60-min. films to be made for Hubbell Robinson's *Startime* series on NBC.

Betty Hutton, star of *Goldie* & owner of the series' production company, jettisoned her 4th producer, Marvin Marx, after a policy dispute, then called him back to work 2 days later. Miss Hutton hadn't changed producers for over a month (Vol. 15:42 p15). Said Marx: "I don't know myself just what happened."

Screen Gems has signed Charles Fries as exec. production mgr. on the coast. Fries was a production executive at Ziv TV . . . Ziv TV story ed. Frank Price has resigned to join Revue as production asst. to producer Nat Holt . . . NBC has named John Hinsey mgr. of film programs for its network div., succeeding Jerome Stanley, recently promoted to dir. of film programs.

CBS Films has bought "Rogue for Hire," starring Jerome Thor, from Cal. Studios . . . ABC will finance a new pilot of *Snowfire*, produced by McGowan Productions.

NEW YORK ROUNDUP

TCF-TV's *Five Fingers* cancelled by NBC-TV (Vol. 15:47 p13), leaves 20th-Fox in a tough spot. In addition to being regularly over budget (with TCF-TV picking up the \$15-\$20,000 a week extra cost), the show is due to be ousted from NBC-TV after the 20th episode—a number too low to form the minimum package needed for off-network syndication. Latest plans call for TCF-TV to take one more plunge, shooting 6 additional new episodes which will be interspersed with reruns to make a 26-episode package for station sales and the overseas market.

Ziv's latest status report on *Sea Hunt* points out that star Lloyd Bridges, who receives 10% of the series' profits above salary, is now grossing \$300,000 a year from the combined incomes. *Sea Hunt* is sold in 205 domestic & 19 foreign markets, says Ziv.

Canned laughter on film shows is not an effective theatrical artifice, stated Schwerin Research Corp. in N.Y. A panel test with 2 versions of a situation comedy (one with, one without canned yaks) drew 10% negative comment with the no-laughter show, and 37% negative reaction with soundtrack laughs. In general, Schwerin has found that an average of 56% of viewers find canned audience reaction "objectionable," despite protests of producers that it's a necessary part of TV comedy showmanship.

Fremantle International has sold Banner Films' library of 104 cartoon classics to WKAQ-TV San Juan for the Puerto Rican & Cuban TV markets, and to Zuriguel Asociados for Caracas, Venezuela.

CBS-TV has reached outside the TV industry to find a successor to dir. of special programs Richard Lewine (brother of ex-NBC-TV program vp Robert Lewine, now with CBS Films). It has named young Broadway theatrical producer Jerry Leider, mgr. of the Theatre Guild's production dept. Lewine has been upgraded to the new post of dir. of special projects, which will include development of weekly shows and assumption of many duties held by Lester Gottlieb who recently (Vol. 15:47, p13) quit CBS-TV to join General Artists Corp. as a TV vp.

Sid Dorfman & Al Lewis have been signed by Goodson-Todman to write, produce & direct *One Happy Family* . . . Cliff Arquette, star of ABC-TV's *Charley Weaver Show*, will receive the "1959 favorite entertainer of the year award" of the N.Y. Sales Executives Club.

NBC-TV has ordered 13 episodes of the new Revue Productions series, *Overland Stage*, starring William Bendix. The 60-min. series will probably be a year-end replacement, but no time slot has as yet been selected for it. The network, meanwhile, has renewed Revue's *Riverboat* but hasn't decided whether to keep it in its Sun. night slot.

Goodson-Todman has signed Bill Bryant to co-star with Perry Lopez in its new series, *Joaquin Murieta*, being produced in association with Andrew J. Fenady, Irvin Kershner and Bernard Kowalski. The pilot goes into production in Dec.

NTA has named Teleradio Asociados, S.A., exclusive sales representatives in Mexico, Central America and Panama. Eighth NTA series are being dubbed in Spanish for the Latin American market. Among them: *Walter Winchell File*, *Sheriff of Cochise*.

HOLLYWOOD ROUNDUP

CBS-TV offered Tom Tully \$350,000 for his 25% interest in 183 30-min. *The Lineup* telefilms, but the actor rejected the bid. The 5-year co-star of the series (with Warner Anderson) told us he thought he could do better by holding on to his 25%. Meanwhile Tully is preparing a situation comedy series in which he will star.

BBDO vp in charge of program development George Polk and Aaron Beckwith, TV exec. for Lever Bros., are in Hollywood seeking new shows for next season . . . Rexall will cut down on specials next season, preferring a weekly 30-min. film series, even if only as an alternate-week sponsor.

Du Pont has told Four Star Television to change the approach on its June Allyson series, switching the 30-min. series from soap opera to a more general appeal. Four Star is now buying stories aimed at the male as well as the female audience.

Revue Productions will film the pilot of a new series, *Confidentially Yours*, starring Dan Duryea. Richard Irving is producer-director . . . Albert J. Cohen has signed as producer of *The Racer*, a new series to be produced by World Television Programming Inc. (which is owned jointly by ABC Films and Joseph M. Schenk Enterprises) . . . Producer Ben Brady is planning a 30-min. comedy series, *Oh Those Bells*.

Jerry Wald is close to a firm deal with NBC for his services as a producer of specials for the 1960-61 season. Other topflight producers already lined up by programs & talent vp David Levy include Dore Schary and David O. Selznick. Levy's long-term plans involve "theatre-dimension" programming featuring 90- & 120-min. entries.

Producer-director Mervyn LeRoy has been approached by the 3 networks and several major studios to produce TV film shows. LeRoy informed us he is considering them all.

Roncom Productions exec. prod. Alvin Cooperman is planning 2 situation comedy series, *The Girl Next Door*, with Molly Bee, which will feature music as part of the show and an untitled series starring Jane Powell. Copperman believes TV must move away from "violence for violence's sake." Although he is planning an adventure series, it won't feature violence, will rely instead on strongly-etched characters.

Producer Robert Maxwell will film a pilot, *House of Mystery*, for Galaxy Productions in Jan. He is negotiating for Dan O'Herilihy for the lead. Maxwell will also go into production Dec. 14 on the pilot of *National Velvet* for MGM-TV, with Rexall paying.

Sanrok Productions has finished a pilot of *The Legend of Billy the Kid* . . . Richard Anderson will star in *Lariat Jones*, pilot planned by the Levy-Gardner-Laven production team in association with Four Star Television. The pilot will be filmed in Jan. . . . A proposed Hollywood interview show on film, featuring gossip columnist Jimmy Starr, is being offered sponsors in N.Y. . . . Producer Al Simon has optioned a private eye property, *The Life & Hard Times of Barney Benedict*, by Harold Swanton.

Michael M. Sillerman, pres. of NTA program sales, has resigned effective Dec. 31 for "purely personal reasons."

BLOW NO. 2 TO THE BOXOFFICE: Hollywood—emerging from the near-fatal blow to the boxoffice from the release of thousands of pre-1948 movies to TV—now cringes, just as its boxoffice revenue starts up again, under the threat of the release of the *post-1948s*.

There is no question of *whether* these more recent movies will be sold to TV; the only question is *when*. When we asked the opinion of a policy-making executive of the producers' association, he replied that "the present intention is not to sell." While the major companies don't want to sell these assets to TV, he went on, such action will depend on business conditions and how much the companies need the cash for production of new movies.

Our check of a number of Hollywood's leading producers on the effect of a deluge of post-1948s into TV brought uniformly gloomy responses ranging from "It would hurt greatly" to "It would be a death blow to the industry." They differed, however, on whether the talent guilds should get a slice of the revenue from these sales. While the majors have flatly said they won't share this money (Vol. 15:48 p13) producers divide on this position.

Perhaps the harshest critic of the major companies' over-all policy is George Stevens, producer-director of "Shane," "Giant" and "The Diary of Anne Frank." Stevens, conceding that release of the post-1948s to TV is merely a question of time, acidly commented: "This reveals vast possibilities for the industry—possibilities for many theaters being closed, and for giving away another large chunk of the audience to TV." The company leaders who will green-light such sales, he added, "want to harvest the crop, take the wheat, and leave nothing . . . Of course people will prefer to stay home and see these movies, rather than go to rat-infested theaters such as I have seen in Hollywood. But our business will survive."

Post-1948 Sales "Inevitable"

Producer Samuel Engel, expressing the inevitability of post-1948 sales to TV, commented: "The pre-1948s were very harmful to the boxoffice, and nearly sent us down the drain." Sale of the post-1948s may be a "mortal blow."

Engel, unlike Stevens, contends that the majors are correct ethically & legally in their refusal to cut the guilds in on post-1948 revenue. "A man has been paid to do his work, he has done it, and that's that. He can't come back and want to be paid again," Engel declared. The producer pointed out that if post-1948 residuals were to be recognized he personally would profit considerably, but he added, "I don't feel, in good conscience, that this is a legitimate request." If the guilds insist on such payments, he said, the major studios may go out of production and participate only in financing & distribution. Some other comment:

Arthur Freed: "It would be almost a fatal move, it would certainly make the movies a pretty sick industry and would ruin the theaters. There are blockbusters in the post-1948s which would be terrific competition to first-run movies. I'm opposed to such a move. I doubt that the companies will sell them now because most of them are in good financial condition. A company such as Universal-International might sell & go out of production, however."

Mervyn LeRoy: "This would hurt the industry tremendously. I hope they never release these movies to TV."

George Sidney: "It would hurt greatly, but it would also knock out a lot of TV shows in prime time, because these movies would probably be shown in the best time."

Best bet at this point is that when the majors begin to unload, they'll retain the blockbusters for theatrical reissue.

Wanted—A Studio: Heavy telefilm production and an upsurge in movie production are keeping Hollywood studios so busy that you can't buy a big one these days. That's what Four Star Pres. Dick Powell discovered when he considered purchase of a studio to house Four Star Television. That company now leases space at Republic, but needs more. Powell told us he had approached Desilu last year regarding purchase of its Cahuenga lot (then called Motion Picture Center), but the price was too steep. More recently overtures to Desilu, regarding its Culver City lot, brought the statement that it was not interested in selling its 3 studios off one by one. The switch in thinking was probably due to the NT&T discussions regarding purchase of controlling stock of Desilu (Vol. 15:46 p16). Powell won't consider the Hal Roach lot because it's so enmeshed in financial difficulties.

A precedent-setting plan for hospitalization & medical benefits for film industry workers retired under terms of the motion picture industry pension plan has been voted by the board of trustees of the industry health & welfare fund. The benefits include a maximum of \$620 for hospitalization; surgery, \$400; anaesthesia, \$80; medical, in hospital, \$150 in a calendar year; medical, out of hospital, \$100 in a calendar year; X-ray laboratory, \$50 in a calendar year. The benefits become available when the retirement plan goes into effect on Jan. 1, 1960, subject to approval by the U.S. Internal Revenue Bureau. Financing for the program comes from a special fund created by employer contributions provided in contracts between employers & unions. Retiring employes participating in individual company pension plans of Loew's, Technicolor, 20th-Fox and RCA, as well as those in the industry plan, will be eligible for the special fund benefits.

Current impasse of the major film studios & Writers Guild of America over the issue of post-1948 movie revenue was discussed at the semi-annual session of the national council of WGA in Hollywood (Vol. 15:48 p13). The major studios have flatly refused to share any TV revenue on such product with the Writers Guild, and as a result negotiations for a new contract collapsed last month. WGA also discussed negotiations with telefilm producers; live TV, radio and staff contracts; an agreement with agents which is being finalized; the Guild's anthology film series to be made with Screen Gems; and upcoming TV awards. WGA, meanwhile, received support in its demands for a share in TV receipts of post-1948s, from the International Federation of Assns. of Film & Television Writers and the Assn. of French Film Authors.

Hollywood will increase theater film output nearly 20% in 1960 to capitalize on the increasing attendance at movie houses, gleefully reported the Motion Picture Assn. of America last week after a survey of its members (who turn out virtually all U.S. feature films). Findings: Hollywood film producers plan to release 270 feature films in 1960, up from this year's 227. They will invest \$429 million in production costs, compared with \$340.5 million in 1959. The 1960 films will be supported by about \$70 million in ads & promotion, compared with \$51,837,000 spent for drum-beating this year. MPAA Pres. Eric Johnston said that movie attendance increased to 51 million admissions weekly, at an annual rate, during March-Sept., compared with 43 million weekly estimated earlier in the year. "All evidence indicates this is a permanent trend and that it will climb . . . as far as we can see into the future," he said.

Trade Report

DECEMBER 7, 1959

BRIGHT PICTURE FOR FIRST-HALF '60: It's unusual to find such unanimity among business prognosticators, but there's almost complete agreement that consumers are going to be in mood to spend money at faster pace than ever before during first-half 1960. Only factor which could delay this spending, they say, would be resumption of steel strike or other labor upsets—and then the word is "delay," not "block."

Remainder of 1959 should bring merriest Christmas season ever to retailers, with most consumer products sharing boom, trade dopesters say. Over-all retail sales so far this year have been highest in history, and with an anticipated record Yule shopping season, should end up 4%-5% better than last year.

Some of the reasoning behind free-spending predictions for 1960: Disposable consumer income (after taxes) should gain as much as 5% or 6% over last year. Food prices are in a downtrend—expected to continue in 1960—leaving more consumer income for purchase of hard goods.

Most experts think credit buying will maintain its high pace or even increase slightly during next year's first half—but there is less than unanimity on this prediction. Consumers now are paying about 13% of their disposable income for installment payments. The general tightening of mortgage credit—which sharply curtailed new housing starts in Oct.—could be reflected early next year in some difficulties in obtaining money for installment loans.

Inventories of most consumer durable goods are adequate for expected Christmas push—and TV is no exception. As of Nov. 1, TV set inventories at all levels had dropped only slightly from the 2,331,000 of Oct. 1 (Vol. 15:46 p19) to about 2,275,000, distributor inventory falling off about 100,000 during Oct. to 800,000, dealer inventory remaining at 1.1 million, factory supply rising somewhat to about 365,000.

We're still sticking to our guess of 5.8 million TV set sales at retail this year (Vol. 15:43 p16). With 10-month retail sales at slightly less than 4.5 million units (see p. 19), Nov.-Dec. sales would have to total a record 1.8 million to bring year's total near the widely-predicted 6.3-million mark. If sales continue to run 8%-10% ahead of last year, final results will fall short of even our 5.8 million.

INDUSTRY'S STEREO DE-CONFUSION DRIVE: Having thoroughly confused the public about stereo, the phono industry last week decided it was now time to launch a campaign to de-confuse it.

Home electronics' latest wonder baby is suffering from severe case of stunted growth as result of salesmen's ignorance and too much talk about decibels, watts, peak power output, 3-channel-vs.-2-channel and similar jazz (which bears no relation to music). Meeting during last week's annual winter conference in Los Angeles, EIA's consumer products exec. committee unanimously approved a public relations campaign to tell public, in simplest terms, that the object of stereo is to reproduce music.

Weird & strange as the idea of music may seem to admen intrigued by the world of push-pull amplifiers, woofers & balance controls, EIA plans to finance such a campaign with at least a \$500,000 war chest collected from phono manufacturers. Drive would employ such devices as magazine & radio ads, and possibly a book on merits of stereo written by a well-known author for distribution by stereo dealers.

Program is slated for final approval and organization by EIA's new phono section, headed by Pilot Radio vp L. M. Sandwick (Vol. 15:48 p17), at special meeting Dec. 15 in N.Y. Sandwick and EIA consumer products div. Chmn. Marion E. Pettegrew, Sylvania senior vp for TV-radio operations, agreed in their presentations to EIA members that the trade was guilty of confusing public with both technical gobbledygook & price mumbo-jumbo. Said Sandwick of stereo claims & counterclaims: "A disgrace to the business."

That new TV promotion campaign voted at EIA's fall meeting (Vol. 15:39 p16) progressed another step with approval by consumer products exec. committee of preliminary plans. Perhaps as result of recent headlines, emphasis probably will be shifted in this year's drive from quality of TV programming to quality & features of new sets. Final plans for drive will be presented at EIA's March meeting in Washington.

For a report on EIA-NSRC stereo radio activities, see p. 5; for other EIA meeting news, see p. 20.

ANOTHER BOOST FOR FM—CAR RADIO: Motorola has decided the time is ripe to bring out its long-planned automobile FM set. It thus becomes 2nd domestic radio maker to announce it's putting FM on wheels.

Motorola's action comes as home FM radio sales are soaring to point where 1960 sales may well top all-time record made in halcyon days of 1948 (Vol. 15:47 p18). Most other auto radio makers, while readily conceding they have FM radio designs in their labs, disagree with Motorola's opinion that public is ready for auto FM and vice versa, and they disavow any present intention to follow suit.

New auto set is novelty in more ways than one. It's completely self-contained, including speaker, is designed for easy under-dash installation by consumer himself. It's not a tuner, not an FM-AM radio, but completely separate FM-only package. Designed for 12-volt car power supplies, it has 3 transistors, 7 tubes, AFC, 6x9-in. oval speaker. Motorola claims it "reproduces the entire hi-fi audio range from 50 to 50,000 cycles" with 15 watts peak power.

Set is being built for sale to consumers—Motorola's automotive div. having no contractual deals with auto companies to supply FM. The company is pushing concept of this auto radio as an "appliance," rather than part of car. Radio can easily be removed & installed in next car bought by owner. Motorola has released no details on circuits in new set, but best guess is that it uses some new tricks. Set will be available in Feb. at \$125 list—same price as Motorola's high-end AM car radio.

Although Motorola defines market for its car FM as the 15 million families which listen to FM radio at home, several other auto radio makers told us they see no indication that there's substantial market for FM in cars. They point to FM stations' relatively limited range and dearth of FM outlets in many rural areas as limiting factors.

One radio maker which doesn't share this view is Granco Products, whose Pres. Henry Fogel told us 3 weeks ago that it will have low-priced auto FM-AM & FM-only radios and FM tuners on market next spring (Vol. 15:47 p19). Bendix is understood to have made up FM auto radio engineering samples for car manufacturers. It did, in fact, make FM tuners as optional-equipment item for 1959 Lincoln cars.

Among the few FM car radios now on market, biggest seller probably is German import Blaupunkt. Japanese have shown several auto FM sets here, but we've seen no indication they're actually for sale. FM converter for AM car radio is being sold by Gonset div. of Young Spring & Wire Co., and Hastings Mfg. Co. (Mitchell Hastings, pres. of Concert FM Network) has also made auto FM tuners. Big FM maker Zenith—once a leader in auto radio but out of field for many years—says it definitely has no intention of returning to car field with an FM or any other kind of radio.

Note: A casualty in the thinning ranks of auto radio producers is Philco, which quietly dropped its automotive div. in Detroit several months ago. Among companies remaining in auto radio field are GM's Delco, Motorola, Bendix, Stromberg-Carlson, Automatic Radio Mfg. Co., several private-label manufacturers.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 27 (47th week of 1959):

	Nov. 20-27	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	121,595	146,673	99,618	5,753,969	4,505,578
Total radio	287,006	340,249	338,887	14,066,405	10,342,833
auto radio	60,612	75,066	109,098	4,973,168	3,156,595

Granco Products will move into 60,000-sq. ft. plant in Kew Gardens, N.Y., next month, doubling its manufacturing space. The radio manufacturer has been operating from 3 plants, one of which—in Astoria, N.Y.—was destroyed by fire last week. Granco stated there would be no cutback in deliveries of radios or stereo units.

Ceramic "Cloverleaf" support for TV picture-tube cathodes has replaced conventional circular supports in Sylvania tubes. The new design is said to increase picture-tube life and shorten warm-up time due to improved heat dissipation from the cathode.

Assn. of Electronic Parts & Equipment Mfrs. (EP&EM) has retained the Sophie Nack Public Relations Agency of Chicago as its public relations counsel.

Motorola stereo promotion: Dealers & distributors are being offered a special package of 20 extended-play 45-rpm stereo records for use as a premium or tie-in with sales of stereo phonos.

Westminster Recording Co. and affiliates Westminster Recording Sales Co., Westminster Stereo Corp. & Whitehall Records, have filed petitions for reorganization under Chapter XI of the Bankruptcy Act in N.Y. federal court.

"TV Distribution System Handbook" for service technicians, published by Jerrold Electronics (48pp., \$1), provides 150 typical layouts covering most situations encountered in planning master systems. Another section is devoted to trouble shooting. It's available from Jerrold distributors or from Jerrold, Philadelphia 32.

RCA SHIFTS FORMAT: RCA re-cast its many-headed consumer-products organization in the image of an old & successful format last week. Out of the major shuffle, as we forecast earlier (Vol. 15:48 p7), emerged a single home-instrument operation that consolidates all RCA Victor TV-radio-phono activities.

In effect, RCA turns its sales clock back 5 years to the type of operation that carried it to pre-eminence in the home-entertainment field. Those were the days when Joe Elliott & "Hen" Baker delivered the sales and other experts concentrated on the manufacturing & engineering.

RCA's new look reflects that same division of activity. A double-winged home-instrument operation has been fashioned under consumer products exec. vp P. J. Casella. All engineering, manufacturing and operations functions for RCA Victor instruments are now lumped & made the responsibility of newcomer Delbert L. Mills, who resigns as president of ITT's Federal div. to become RCA home instruments operations div. vp Jan. 1. On the sales side of the organization, J. S. (Jack) Beldon, as RCA Sales Corp. pres., assumes all marketing responsibility for RCA Victor home instruments. Beldon & Mills report to Casella.

In the new all-products setup, former TV products vp J. M. Toney becomes market planning & product development vp; R. W. Saxon swings to home instrument sales vp from radio-phono products vp; J. M. Williams continues as ad & sales promotion mgr. for TV-radio-phono; R. M. Ryan is regional finance vp.

As the dust begins to clear, it becomes evident that the old Elliott-Baker team has been revived with Casella-Beldon, the latter's duties now streamlined to capitalize on his proven strength in sales & marketing. As GE TV mktg. mgr., Beldon drove that brand to a brief pre-eminence and himself to RCA's attention, joining RCA as home instruments vp & gen. mgr. last Feb. (Vol. 15:10 p17). The emergence of a clear-cut sales operation, free from manufacturing & engineering entanglements, is viewed by observers as a bid to boost RCA's share-of-industry position.

"Mystery" man in the shuffle is Del Mills, who comes in from ITT to tackle the vital but unglamorous wing of the new operation. He's known industrywide as an all-around executive, with keen knowledge of all facets of the business—manufacturing, marketing, financial. His forte is as an expert on manufacturing; he holds a Purdue engineering degree. He came to ITT 2 years ago from A. O. Smith Corp., became president of newly formed ITT-Federal in June 1958. ITT-Federal specializes in military & industrial electronics-communications, represents the merger of ITT subsidiaries Federal Telephone & Radio and Farnsworth Electronics Corp.

The road from ITT to RCA is not as obscure as it may appear. It was blazed earlier this year, in Sept. (Vol. 15:36 p14), by ITT exec. vp Fred M. Farwell, who moved into the new post of mktg. vp of parent RCA, apparently is being groomed for something bigger.

Other members of Mills' team: chief engineer E. I. Anderson, manufacturing mgr. W. E. Albright, materials mgr. J. D. Walter, controller P. W. Hofmann and personnel mgr. P. R. Slaninka.

It had to happen: Two of Japan's most successful exports have been combined into the "Kam-Ra," combination 6-transistor radio & 16-mm camera. Advertised at \$79.95, the halfbreed is imported by Bell International Corp., 112 W. 34 St., N.Y.

TV-RADIO SALES & OUTPUT: Retail sales & factory production of TV & radio sets declined seasonally in Oct. from big Sept. (Vol. 15:46 p20), but were well ahead of Oct. 1958 totals, EIA reported last week.

Oct. TV retail sales totaled 637,147, down from 684,773 in Sept., but were up strongly from the 523,440 sold in Oct. 1958. Cumulative 1959 sales totaled 4,448,901 vs. 3,991,530 in first 10 months last year. Oct. production was 706,583 vs. 808,337 in Sept. and 495,617 in Oct. 1958. Oct. figures include 55,113 uhf receivers vs. 51,555 made in Sept. and 42,171 in Oct. 1958. Ten-month uhf production totaled 340,980 vs. 353,980 in Jan.-Oct. 1958. EIA's month-by-month 1959 vs. 1958 TV comparisons:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	370,413	448,727
March	494,032	425,749	416,903	416,766
April	389,251	423,998	302,559	243,132
May	431,911	279,586	266,982	237,189
June	571,003	344,795	377,090	250,362
July	350,360	370,575	274,999	279,010
August	547,445	492,449	507,526	405,790
September	808,337	684,773	621,734	605,638
October	706,583	637,147	495,617	523,440
TOTAL	5,195,440	4,448,901	4,067,606	3,991,530

Radio sales in Oct. (excluding auto) totaled 839,912, down from 928,457 in Sept. Production for the month was 1,795,718 (including 531,116 auto sets & 62,959 FM) vs. 1,981,208 in Sept. (717,501 auto & 76,942 FM). The following table compares Oct. & first-10-month radio figures with the same 1958 periods:

	1959		1958	
	Oct.	Jan.-Oct.	Oct.	Jan.-Oct.
Total output	1,795,718	12,722,970	1,218,575	8,904,772
auto radio	531,116	4,682,962	296,067	2,679,618
FM sets	62,959	430,763	59,586	235,647
Sales (excl. auto)	839,912	6,125,790	685,084	5,241,629

Retail TV set sales of 6.1 million units in 1960 were predicted by Sylvania Home Electronics Pres. Robert L. Shaw last week. Addressing the Radio, TV & Appliance Assn. in New Orleans, he estimated that sales this year will total about 5.7 million sets. Sylvania's 1959 sales will set a record, he added, crediting consumer acceptance of the 23-in. tube as "one of the major reasons." He forecast that competition among TV set makers next year will center around the use of the twin-panel 23-in. with the bonded-on implosion plate vs. the 23-in. tube without integral safety glass (Vol. 15:42 p18). He added that Sylvania will stick to the twin-panel approach.

Unusual & stringent punishment was meted out last week to a fraudulent TV service technician by Fairfax county (Va.) Judge J. Mason in an action indicative of public resentment against gyp servicemen. Ex-technician Thomas M. Lowery was ordered to pay \$500 "exemplary damages" in addition to refunding the amount he had charged for the repairs to each of 4 complaining customers—for a total of \$2,200. Judge Grove explained that exemplary damages may be awarded when "fraud or malice has been committed by a defendant [as] a punishment and to serve as a deterrent." The defendant, who last year was sentenced to jail for petty larceny in a similar case, failed to show up in court.

Westinghouse consumer products vp Chris Witting Jr. last week denied a published report of the resignation of Edward J. Kelly, former TV-radio div. mgr. who is now on Witting's consumer products staff. Kelly was unavailable for comment; Witting said Kelly didn't submit resignation.

EIA ACTS ON IMPORTS: Meeting in Los Angeles Dec. 4, EIA's board acted to implement the "Buy American" campaign it approved last Sept. (Vol. 15:39 p15). On recommendation of the electronics imports committee it adopted a resolution for a concerted EIA effort to promote use of American-made parts & assemblies.

It also voted to support HR-5054 which would require that products imported and repackaged for sale be labeled to show country of origin. It voted approval of legislation to require that foreign-made components & sub-assemblies also be marked. The board said that this could be done by amending HR-5054 or existing tariff laws.

Exec. vp James D. Secrest reported to the imports committee that 17 statements had been filed with OCDM in its investigation of Japanese transistor imports as a threat to U.S. defense preparedness. He predicted that more comments would be filed before the Dec. 15 deadline.

Concern over imports was expressed on other fronts at EIA's winter conference. Pres. David R. Hull repeated his charge that transistors from Japan are threatening U.S. production capacity for defense (Vol. 15:46 p21) and said that only govt.-imposed quotas can solve the problem—and this depends on outcome of OCDM's investigation.

The tube & semiconductor exec. committee spent much of its meeting discussing competition from abroad. The committee agreed that the Japanese probably won't launch a major invasion of the electronic tube business because of their concentration on the more profitable transistors. European competition in tubes was also discussed, but committee Chmn. William J. Peltz, Philco, said the group saw no particular threat here because of the small quantity now coming from Europe. He said that tubes made by European manufacturers have won some acceptance here because "they're making a better tube, particularly for hi fi and FM," but that American manufacturers are now beginning to come up with tubes which compare favorably.

Other highlights of EIA's winter conference:

ETV—The board approved a resolution proposed by the educational coordinating committee supporting the ETV Stratovision experiments proposed by the Midwest Council on Airborne TV Instruction (Vol. 15:42 p3).

Appointments—Motorola Pres. Robert W. Galvin and Hoffman vp Ray B. Cox were elected to the EIA board as consumer products representatives. Galvin succeeds his father, the late Paul V. Galvin. Also elected to the board: M. C. Haddon, Lockheed & N. I. Hall, Hughes Aircraft.

Spectrum—EIA Pres. David R. Hull announced he plans to meet soon with Rep. Harris (D-Ark.) to suggest improvements in his bill (HR-8426) to establish 3-man civilian frequency allocation board (Vol. 15:31). EIA has endorsed the bill, but believes some modifications would help its chances in Congress.

Canadian TV sales should increase steadily beginning next year at an annual rate of about 5% "because of the growing replacement market, coupled with the demand for 2nd sets in the home." So said Pres. Stuart D. Brownlee, addressing Canadian Admiral Corp. salesmen. He said Canadian TV sales for 1959 will probably be down about 5% from 1958, reaching "the lowest point in a TV sales curve that has been declining since the 1955 peak." Canadian TV inventories at the end of Oct. totaled 100,000, the lowest point for that month since 1953, or approximately the number that should be sold in Nov. & Dec. As to the 23-in. tube in Canada, Brownlee said: "We knew we had a real winner; it has proven to be everything we hoped for."

ELECTRONICS' NEXT DECADE: Four Motorola executives peered last week into the 1960s & 1970s in year-end statements and foresaw a world in which electronics will assume far greater importance than it does today. Here are their predictions & comments:

Robert W. Galvin, pres.—Real personal income will continue to rise during the next decade, while electronics, in all its branches, will "exceed by several times the growth of our economy." Galvin listed these "major challenges of the electronics industry in the 1960s:"

(1) "Basic & applied research [will] probably be the overwhelming factor in determining just how far the industry will move." (2) "Realistic re-allocation of the radio frequency spectrum likely will be achieved . . ." (3) Foreign competition will increase greatly, but "we believe we will continue to win an increasing share in the electronics business through the American tradition of invention, innovation, performance & service." (4) Good professional & managerial talent will continue to be in short supply.

Edward R. Taylor, exec. vp, consumer products—(1) Stereo radio will supplant present monaural broadcasting. (2) TV antennas may disappear from rooftops. (3) "There will be a yet-to-be-perfected system of reliable color-TV reception that is within the economic reach of every consumer. (4) TV sets will require no more servicing than refrigerators; there will be no tubes in them. (5) Stereo phonos will be as common as TV & radio are today. (6) Home TV tape recorders will be available. (7) Handbag-weight TV sets "will be commonplace in the 1970s." (8) Closed-circuit TV will be a home device in the 1970's; a home electronic switchboard will control appliances, doors, TV, radio, lights.

Daniel E. Noble, exec. vp, semiconductors, communications & military electronics—Electronic circuitry as we now know it will be largely replaced by circuitry of semiconductors, "thin films" and other solid-state products. "The new era of solid-state electronics will spread its influence to every form of human endeavor and contribute substantially to scientific achievements in all fields."

Arthur L. Reese, vp, communications—(1) The number of private 2-way radio units will triple to nearly 3 million. (2) Radio will control automobile traffic and warn motorists of emergency conditions. (3) Personal radio paging systems will replace loudspeaker systems. (4) Closed-circuit TV will be common in education & industry. (5) Radiation monitoring systems will report on conditions over thousands of square miles within seconds.

Color TV optical probe which "sees" deep into the remotest parts of a person's mouth and projects the view on a TV screen, in color, magnified 35 times, has been developed by the Avco Corp. & the U.S. Navy. The device has been used successfully in dental work & training, the Navy reported, forecasting that "with further development, this technique may permit us to view the inside of other body cavities, highly magnified and in color." The Avco probe comprises synthetic optical fibers (each about the size of a human hair) bundled into a small flexible cable with a finger-tip size lens at one end. The synthetic fibers are able to pick up light at one end and transmit it to the other. The fiber-cable relays what it "sees" to a TV camera which transmits the magnified view via closed circuit to screens.

Charging infringement of its automatic contrast control patent, Hazeltine Research Inc. has filed suit against Zenith in Chicago federal court asking an injunction & accounting of damages.

Trade Personals: Charles J. Coward named gen. mgr. of GE's new audio products section . . . Ralph L. Bloom, ex-Magnecord & Raytheon, named radio & hi-fi sales mgr., Sylvania Home Electronics . . . Lynn C. Holmes promoted from research dir. to engineering operations dir., Stromberg-Carlson . . . Ralph A. Cone named gen. mgr. & sales dir., Delmonico-International Corp.'s new electronic components div. (Japanese & German components) . . . John H. Ihrig, Webcor exec. vp, elected a dir.

P. L. Henry named gen. mgr., Hoffman Sales Corp. of Cal., Hoffman Electronics subsidiary. He succeeds John B. Chadwell, who has joined Golden State Arms Corp., Pasadena sporting equipment retailer, as vp . . . A. W. Bernsohn, who resigns next month as NARDA exec. vp (Vol. 15:44 p20), will join Los Angeles staff of Fairchild Publications' *Home Furnishings Daily* . . . Howard W. Hanson III named to new post of ad & sales promotion supervisor, Corning Glass electronic components dept. . . . Gabriel Soria, ex-managing dir. of RCA's Spanish subsidiary, establishes own private business at General Sanjurjo 32, Madrid.

Wenzel J. Austen named acting dir. of Telecommunications Policy, office of Asst. Secy. of Defense for supply & logistics, pending appointment of successor to William Hatton who retired Nov. 30.

James F. Lillis, vp-comptroller of Burroughs Corp., Dec. 15 assumes same position at ITT, succeeding John G. Copelin, who continues as ITT vp concentrating on banking relations abroad . . . Dr. Robert T. Watson appointed associate dir., ITT components & instrumentation lab . . . Raymond G. Johnson, controller & asst. treas. of GPL, elected a vp.

Ralph Mendel, vp of Radio Receptor, General Instrument subsidiary, named gen. mgr. of Radio Receptor's new advanced development lab; Arnold M. Wolf, ex-Lewyt, named engineering products div. vp; Seymour D. Gurian promoted to military mktg. vp . . . Irvin Yelsky named Snyder Mfg. plant production coordinator . . . Roy H. Isaacs named Bendix Aviation govt. relations vp . . . A. S. Kranzley, ex-Burroughs, appointed product planning mgr., RCA electronic data processing div.

John W. Guilfoyle elected pres. of Federal Electric Corp. (ITT) . . . John F. Douglas, Automatic Electric Co. vp-treas., named pres, Lenkurt Electric Co. Both companies are General Telephone subsidiaries; Martin F. Shanahan promoted from controller to vp, Automatic . . . Arthur F. Perkins appointed head of newly established advanced development section of Stromberg-Carlson telecommunication div.

TV business in Iraq is sought by the Near East Commercial Co., 10 T/2 Saadun St., Baghdad, according to the Commerce Dept.'s *Foreign Commerce Weekly*. The firm wants to purchase U.S. sets (220-v, 50-c, a.c. & d.c. table & cabinet models) directly and act as agent for manufacturers here.

Tunnel diodes will dominate IRE's 1960 International Solid-State Circuits Conference Feb. 10-12 at U. of Pa. & Hotel Sheraton, Philadelphia. Of the 45 papers & panel sessions scheduled, 12 will be devoted to the new mighty midget from Japan.

New military contract guide, listing 228 Army, Navy and Air Force installations where companies can sell their research & development capabilities, has been published at \$25 by V. F. Callahan, 1429 N.Y. Ave., Washington 5, D.C.

Facsimile's growing importance as a business & industry service was analyzed by Nov. 30 *Wall St. Journal*, which quoted industry leaders' estimates that facsimile volume this year may reach \$25 million, rise to \$40 million in 1960. "What sparks the spreading use of facsimile?" asks WSJ. Answer: "Industry leaders say that improvement in the reliability, reproduction quality and over-all performance of their equipment is one big reason . . . Additionally, many more businessmen are being sold on the savings in time & money which the facsimile men claim for their machines." About 10 U.S. firms offer some kind of facsimile equipment, among them: Stewart-Warner Corp., Electronic Communications, Litton Industries, A. B. Dick Co., Addressograph-Multigraph Corp., TelAutograph Corp., Alden Electronic & Impulse Recording Co., Fairchild Camera & Instrument Corp., Western Union.

Industrial electronics marketing conference will be sponsored by EIA Jan. 5 at New York's Biltmore Hotel. Managed by John Diebold & Associates. The meeting's theme will be "The Industrial Electronics Market: Marketing Problems in a Changing Field." Featured discussion subject will be "How to sell 'systems' as opposed to 'products.'" Discussion topics: (1) New marketing problems. (2) Changes in the industry's structure. (3) The future electronics market—who the customers are & how to find them. (4) How electronics managers are coping with change through changes in product lines, service, marketing, organization & talent. (5) Case study of one manufacturer's marketing problems and changes in his marketing methods.

Two 23-in. sets replace 21-in. units in Hoffman's line. A console listing at \$270-\$290 and a console at \$300-\$320 are substituting for corresponding 21-in. sets which are being discontinued. Consumer products vp-gen. mgr. Ray B. Cox said the new sets are being introduced a month earlier than originally scheduled because of "depleted factory inventories on a number of models." He added that Hoffman TV sales so far this year are more than 44% ahead of last year.

Varian Associates "has no specific projects under consideration that would explain" increased interest in the stock of the Palo Alto electronics firm, reports finance vp Merle R. Zinser. "The company has no plans for additional mergers or acquisitions for the rest of the year that I know of," he said. "We are always interested in expansion & diversification, and merger or acquisition is one way of accomplishing this. But I can say without hesitation that the company has nothing specific along this line under consideration."

Joint TV & radio manufacturing ventures in India in collaboration with U.S. firms are sought by the Indian firm, Pennsylvania Traders, which now makes transformers and assemblies radios from imported components. Following introduction of TV in India, the market for TV sets there is good, proprietor M. U. Dada points out. Now on a U.S. visit, he can be reached in care of Mohamed Yusuf, 5215 S. Dorchester St., Chicago 15, Ill.

Top 7 British TV manufacturers, in terms of total number of sets sold from Sept. 1953 to Sept. 1958 (as listed by *The Financial Times*—and quoted in Pye ads): (1) Pye, 11% of market. (2) Bush, 9.9%. (3) Ekco, 9.8%. (4) Ferguson, 8.7%. (5) Murphy, 5.6%. (6) Philips, 4.8%. (7) Sobell, 4.6%. The top 7 accounted for 54.4% of the total sets sold during the period.

Finance

Electronics Funds Report: The net assets of the Television Electronics Fund climbed to a record \$308.1 million at the close of the fiscal year ended Oct. 31. This was up 50.5% over fiscal-1958's \$204.7 million, announced Pres. Chester D. Tripp in the Fund's 11th annual report. For the year, net asset value per share rose 28%, from 1958's \$12.75 to \$15.87, adjusted for a capital gain distribution of 45¢ made in Nov. 1958. The Fund's investors increased in number to 104,000 from 78,743, and shares outstanding rose to a record 19,421,544 from 16,059,119 on Oct. 31, 1958. These were 4th fiscal quarter changes from 3rd quarter, when net assets were \$315,302,428, shares 19,011,697:

New additions: \$250,000 Gabriel Co. 5¾% subordinate debentures, due 1974; \$150,000 General Time Corp. 4¾% convertible subordinate debentures, due 1979.

Holdings were increased in American Chain & Cable, AT&T, Bausch & Lomb Optical, Dictaphone, Federal Pacific Electric, Friden, Gabriel, General Tire & Rubber, Giannini Controls, Packard-Bell, RCA, Zenith. Part of holdings were sold in Ampex, Burroughs, Cleveite, Consolidated Electro-dynamics Corp., Fansteel Metallurgical Corp., Food Machinery & Chemical Corp., General Mills, Hazeltine, Indiana Steel Products, Magnavox, Mergenthaler Linotype, Walt Disney Productions. Stocks eliminated: 7,800 Corning Glass, 6,500 Eastern Industries, 5,000 Servomechanisms, 3,000 Texas Instruments. Also eliminated: \$150,000 American Machine & Foundry 5% debentures, \$200,000 GT&E 4% debentures, \$200,000 Ling-Altec Electronics 5½% debentures.

Unchanged during quarter were holdings in ACF Industries, Acoustica Associates, Addressograph-Multigraph, Admiral, Aerojet-General, Air Reduction, Allegheny Ludlum Steel, Allis-Chalmers, American Bosch Arma, AB-PT, American Electronics, Ampenol-Borg, Babcock & Wilcox, Barry Controls, Bell & Gossett, Bendix Aviation, Boeing, Borg-Warner, Bullard, Bulova Watch, Carborundum Co., Carrier, Central Hudson Gas & Electric, Champion Spark Plug, Chance Vought Aircraft, Cincinnati Gas & Electric, Cincinnati Milling Machine Co., Clark Controller Co., Collins Radio, CBS Inc., Columbia Pictures, Conrac, Consolidated Edison of N.Y., Curtiss-Wright, Cutler-Hammer, Douglas Aircraft, Dresser Industries, DuMont Labs, E.I. du Pont, Eastman Kodak, Eaton Mfg. Co., Eitel-McCullough, Electronic Associates, Electronics Corp. of America, Emerson Electric, Ex-Cell-O Corp., Fischer & Porter, Ford, Foxboro, Garrett, General Bronze, General Dynamics, GE, GM, General Precision Equipment, General Railway Signal, GT&E, General Time, Goodyear Tire & Rubber, Harris-Intertype, Hewlett-Packard, Hoffman Electronics, Industrial Electronics, IBM, International Nickel Co. of Canada, ITT, Iowa-Illinois Gas & Electric, Lab for Electronics, Leeds & Northrup, Litton Industries, Lockheed Aircraft, P. R. Mallory, Martin Co., W. L. Maxxon, Minneapolis-Honeywell, Minnesota Mining, Motorola, National Acme, National Cash Register, Neptune Meter, North American Aviation, Northrop Corp., Oak Mfg., Olin Mathieson Chemical, Orr Industries, Otis Elevator, Paramount Pictures, Perkin-Elmer, Philco, Pullman, RCA, Reliance Electric & Engineering, Robertshaw-Fulton, Rochester Gas & Electric, Royal McBee, Smith-Corona Marchant, Southern Cal. Edison Co., Sperry Rand, Square D, Statham Instruments, Stewart-Warner, Storer Bestg., Taylor Instrument, TelAutograph, Telecomputing, Television Associates, Thompson Ramo Wooldridge, Tracerlab, Tung-Sol, 20th Century-Fox, Union Carbide, United Aircraft, United-Carr Fastener, United Utilities, Varian Associates, Warner Bros., Westinghouse Air Brake, Westinghouse Electric.

Electronics Investment Corp.'s total net assets soared to \$29,416,986 in the 12 months ended Oct. 30, up from \$18,286,853 a year ago. The mutual fund's net asset value per share also climbed sharply, from \$5.58 to the equivalent of \$7.70, adjusted for a net capital gains distribution of 44.5¢ per share, paid May 29, 1959. The portfolio included \$25,160,575 of common stocks, \$265,143 preferred, \$2,300,170 bonds, \$735,357 U.S. govt. obligations. Portfolio changes during the July 31-Oct. 30 quarter:

Purchases: 5,061 shares of Cobu Electronics (making a total of 20,243); 2,400 Eitel-McCullough (total 10,400); 1,300 Electronic Associates (total 7,322); 2,000 GM (total 4,000); 100 Haloid Xerox (total 1,100); 1,500 Packard-Bell (total 21,600); 1,500 Siemens & Halske (total 5,500); 4,100 Taft Bestg. (total 14,100); \$17,100 Consolidated Electro-dynamics 4½% convertible debentures due 1984 (total \$103,000); \$101,000 Seeburg 5½% debentures due 1979 (total \$101,000); \$150,000 U.S. Treasury bills due March 24, 1960 (total \$150,000); \$300,000 U.S. Treasury bills due Dec. 24, 1959 (total \$300,000); \$200,000 U.S. Treasury bills due Jan. 28, 1960 (total \$200,000).

Sales: 5,000 Burroughs; 6,000 Collins Radio (holds 5,651); 2,600 Dresser Industries; 7,800 Electronic Specialty (holds 2,200); 1,300 Epsco (holds 5,200); 4,000 GPE; 2,500 Midwestern Instruments (holds 1,700); 900 TelePrompTer (holds 6,100); 2,300 CPE 6% debentures (holds 700); 300 Tung-Sol 5% debentures (holds 2,700); \$50,000 Thompson Ramo Wooldridge 4¾% debentures; \$150,000 U.S. Treasury bills.

Other common stock held: A.C.F. Industries, American Bosch Arma, AB-PT, American Machine & Foundry, AT&T, Ampex, Ampenol-Borg, Bell & Gossett, Bendix Aviation, Borg-Warner, CBS Inc., Consolidated Electro-dynamics, Cutler-Hammer, Eastern Industries, Fansteel Metallurgical, Garrett, GE, GT&E, General Tire & Rubber, Hazeltine, Hewlett-Packard, Hoffman, IBM, ITT Ling-Altec, Lockheed Aircraft, P. R. Mallory, Microwave Associates, Minneapolis-Honeywell, Motorola, Philips, RCA, Raytheon, Seeburg, Speer Carbon, Sperry Rand, Sprague Electric, Standard Coil Products, Stewart-Warner, Storer Bestg., Tectron, United Aircraft, Varian Associates, Western Union, Westinghouse Air Brake, Westinghouse Electric, Worthington.

Ampex will report sales of approximately \$30 million for its fiscal first-half ended Oct. 31, according to Pres. George I. Long Jr., as quoted in *The Wall Street Journal*. Long also said: Net profits for the half will be about \$1.8 million (75¢ on 2.4 million shares) vs. \$665,000 (37¢ on 1.8 million) in the same period last year when sales totaled \$16.1 million. For all of fiscal 1960, Ampex foresees sales of \$65 million, earnings \$4.3 million, vs. fiscal 1959's sales of \$43.8 million and earnings of \$2.9 million. The 1960 sales will include a gross of about \$5 million from recently-acquired Orr Industries. As to dividend policy, Long foresaw no imminent change in the policy of plowing retained earnings back into expansion & growth. He added that Ampex is not currently considering any mergers and does not now contemplate selling out to a larger firm. The company expects to hit a \$100-million-a-year sales volume in less than 5 years.

Replacement knobs for auto radio or TV sets are subject to excise taxes on parts or accessories for cars—not to the manufacturer's tax on set components, according to a new Internal Revenue Service ruling (Rev. Rul. 59-374).

Texas Instruments has submitted an SEC registration statement (File 2-15869) for 150,000 shares of \$1 par common stock to be issued under its stock option plan for officers & key employees.

Westinghouse will hold a special stockholder meeting Jan. 4 to consider its board's recommendation for a 2-for-1 stock split and doubling of authorized common shares to 50 million.

Lab for Electronics net income more than doubled to \$423,000 (92¢ a share) in the 6 months to Oct. 23, compared with \$203,000 (43¢) in the year-ago period.

The Outlet Co. (WJAR-TV & WJAR Providence) stockholders will vote on a 5-for-1 stock split and an increase in authorized common to 497,100 from 99,420.

Reports & comments available: Seigler, Burroughs, and Loral Electronics are discussed in *Monthly Investment Letter*, Hayden, Stone & Co., 25 Broad St., N.Y. 4 . . . General Precision Equipment, analysis, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . RCA, discussion, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 . . . Allied Radio Corp., report, White, Weld & Co., 20 Broad St., N.Y. 5 . . . Varian Associates, review, Ira Haupt & Co., 111 Broadway, N.Y. 6 . . . Electronic Associates Inc., analysis, W. C. Langley & Co., 115 Broadway, N.Y. 6 . . . Howard W. Sams & Co., prospectus, Walston & Co., Inc., 120 Broadway, N.Y. 5 . . . Siegler, profile in Dec. 1 *Forbes* . . . Metropolitan Telecommunications Corp., prospectus, Lee Co., 135 Broadway, N.Y. 6 . . . Harman-Kardon, prospectus, Milton D. Blauner & Co., 115 Broadway, N.Y. 6.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Arvin Industries	Q	\$0.25	Dec. 29	Dec. 7
Decca Records	Q	.25	Dec. 29	Dec. 15
Dresser Industries	Q	.40	Dec. 15	Dec. 1
Cleveite	Q	.30	Dec. 28	Dec. 11
Corning Glass	Q	.37½	Dec. 28	Dec. 11
Corning Glass	Ex.	.50	Dec. 28	Dec. 11
Int'l. Resistance	Ex.	.15	Dec. 29	Dec. 15
RCA	Q	.25	Jan. 25	Dec. 18
RCA	Stk.	2%	Feb. 1	Dec. 18
Tectron Inc.	—	.31½	Jan. 1	Dec. 15
Trans-Lux	A	¾	Dec. 16	Dec. 9
Universal Pictures	Yr-end	1.00	Dec. 24	Dec. 13
Zenith	Q	.40	Dec. 29	Dec. 11
Zenith	Ex.	.65	Dec. 29	Dec. 11
Zenith	Sp.	.65	Jan. 29	Jan. 8

Pacific Mercury Electronics reports a 53% increase in net income on a 16% sales gain in fiscal-1960's first quarter ended Sept. 30. Pres. Joe Benaron said sales established a first-quarter high, noted that "operations during Oct. & Nov. have continued at a favorable level and we are confident that first-half earnings will be well ahead of a year ago." For the first quarter ended Sept. 30:

	1959	1958
Sales	\$5,792,112	\$5,001,335
Net income	83,140	54,300
Earned per share	12¢	8¢
Shares outstanding	700,000	700,000

Emerson estimates a 75% jump in earnings & a 15% increase in sales for the fiscal year ended Oct. 31, Pres. Benjamin Abrams said last week. In fiscal 1958, Emerson earned \$1,410,009 (72¢ a share) on \$58,401,179 sales. On the basis of the concern's earnings of \$1,466,548 (72¢) in the 39 weeks ended Aug. 1, net income in the 4th fiscal quarter was around \$1 million. Abrams attributed the improved profit picture to production improvement & economies as well as increased sales.

Philips' Lamp Works, the giant Netherlands-based electronics & electrical combine, reports net profit of \$55,650,000 on sales of \$735,110,000 for 9 months ended Sept. 30, compared with \$40,015,000 on \$636,530,000 in the same 1958 period. The profit for the latest period represented 7.6% of sales, up from 6.3% last year. At the end of Sept., Philips' employes throughout the world totaled 184,000 (67,200 in Netherlands) vs. 171,000 (64,100 in Netherlands) at the end of Sept. 1958.

Tokyo Shibaura Electric Co., the 85-year-old Japanese electrical-electronics-appliance firm is increasing its capitalization 67% next month to \$70 million by offering its stockholders of record Sept. 30 the right to subscribe to 6 additional shares for each 10 held at about 70¢ a share. About 10% of Toshiba's stock is held in the U.S. International GE, with 7.2% of Toshiba's shares, is said to be the company's largest individual stockholder.

Reorganization of Universal Transistor Products Corp., Westbury, N.Y., under Chapter X of the Bankruptcy Act, has been approved by Brooklyn federal court. The voluntary plan provides for 100% payment of unsecured creditors over 3½ years as well as a plan under which Telechrome Mfg. Corp. will take over the management of the firm and will be permitted to purchase more than 80% of Universal's stock over an extended period (Vol. 15:30 p. 19).

General Transistor Corp. increased its earnings in the quarter ended Sept. 30 to \$144,369 (16¢ a share) compared with \$115,533 (17¢) in the year-ago quarter. Earnings also climbed on sales that nearly doubled in the 9 months ended Sept. 30:

	1959	1958
Net sales	\$7,335,566	\$3,693,262
Net income	494,566	320,803
Earned per share	56¢	47¢
Shares outstanding	882,406	683,252

Metropolitan Telecommunications Corp. has placed 99,933 shares of common on the market for public sale at an offering price of \$3 per share. Underwriter is Lee Co., 135 Broadway, New York 6. The 9-year-old N.Y. concern produces single side-band transceivers, central music-broadcast systems, TV cable equalizers, as well as a wide range of teletype, telegraph and telephone gear.

Another merger involving Ling-Altec Electronics is in the wind. The company is known to be holding discussions with 2 firms.

RCA's 2% stock dividend, declared last week in lieu of the 50¢ extra year-end dividend of recent years, has the "objective of broadening the base for future earnings by conserving cash for continuing growth of the company's business in new & vital areas of basic circuitry, automation, electronic controls, communications, data processing, etc.," RCA announced. The company noted that value of the dividend is equivalent to about \$1.40 per share. The regular 25¢ quarterly dividend was also declared. (See dividend table.)

Howard W. Sams issue of 88,000 shares of common, offered for public sale at \$25 a share, was sold & heavily oversubscribed. The issue amounted to \$2.2 million, was underwritten by a syndicate headed by the Indianapolis (Ind.) Bond & Share Corp.

British Industries Corp., Port Washington (N.Y.) importer of hi-fi components, netted a small profit gain despite a slight sales decline in the 9 months ended Sept. 30:

	1959	1958
Sales	\$5,538,593	\$5,589,789
Net profit	360,585	358,318
Earned per share	1.01	1.00

Indiana General Corp.—formed by the recent merger of Indiana Steel Products Co. (permanent magnets) and General Ceramics Corp. (magnetic materials)—has forecast that 1959 sales will total about \$20 million. This would be one-third greater than the combined 1958 sales of the merged companies.

United Artists Corp. reports increases in both gross & net income for the 9 months ended Oct. 3:

	1959	1958
Gross income	\$72,060,000	\$61,600,000
Net income	2,886,000	2,623,000
Earned per share	1.73	1.58
Shares outstanding	1,664,218	1,276,148

Educational Television

Airborne-TV study has been undertaken by the National Bureau of Standards "to assist in the evaluation of a proposed airborne ETV network" (Vol. 15:44 p24). The service that can be expected from a single airborne station under a wide variety of operating conditions has been detailed in a report by M. T. Decker, *Service Area of an Airborne TV Station*, which is available as NBS Technical Note No. 35 (75¢) from the Office of Technical Services, Department of Commerce, Washington 25, D.C.

Ampex has delivered 5 Videotape recorders to the Ann Arbor, Mich. tape-duplicating center of the National ETV & Radio Center. The latest shipments increase to 42 the number of machines delivered under NET's \$2.5-million, 48-machine order (Vol. 15:33 p3). Ampex reports that the balance of 6 recorders is ready for shipment on instructions from NET, and probably will be delivered to the remaining ETV stations by early Jan. Total installations of Ampex Videotape recorders is now 520.

ETV research applications for govt. grants under Title VII of the National Defense Education Act (Vol. 15:45 p23) must be filed by Feb. 1 to meet a deadline for review by its advisory committee at a meeting next spring, the U.S. Office of Education announced. Also set is an Aug. 1, 1960 deadline for applications to be submitted to the committee at a meeting next fall. The proposals for research in TV-radio-recording educational aids should be filed with the director, educational media branch, Office of Education, Health, Education and Welfare Dept., Washington 25, D.C.

Foreign

End of Russian jamming of BBC broadcasts is foreseen—or at least hoped for—by British Foreign Office negotiators who signed a one-year cultural agreement with the Soviet Union. A British communique on the pact, which is similar in terms to a U.S.-USSR exchange renewal agreement signed last month (Vol. 15:48 p9), said the Russians are willing “to carry out studies in the immediate future with a view to normalizing relations in the field of broadcasting.” It was an admission, at least, by Soviet negotiators that jamming isn’t normal, the Foreign Office said. In Washington, USIA dir. George V. Allen said that since Soviet Premier Nikita Khrushchev’s visit to the U.S., Russian jamming of Voice of America programs has been cut by at least half. “Now jamming is sporadic, mostly to remind us they still can jam us,” Allen told the American Public Welfare Assn.

Red China’s TV is free from commercials and gangster & horror stories “such as crowd TV in the U.S. & other capitalist countries,” boasted Radio Peiping recently. The govt. radio station said the Peiping TV outlet is on the air 2 to 3 hours daily, 6 days a week, and that experimental outlets are now operating in Canton, Harbin, Tientsin & Changchun.

And Now—Scandinavian ‘Stratovision’: A Stratovision-like project intends to vault banned commercial-TV service across the borders of Scandinavia to compete with its state-supported ad-less video. Beginning Feb. 1, says Britain’s *Advertiser’s Weekly*, a Swedish-Danish group will initiate regular daily commercial telecasts from a teleplane flying at 21,000 feet off Sweden’s west coast. The airborne transmitter will be beamed at Denmark, Sweden and southern Norway.

“A transmitter has already been tried out,” *Advertiser’s Weekly* reports, “and 2 Convair transport aircraft will serve as TV stations. They will be stationed in north Germany and will operate outside international air lanes.” Among the unanswered questions: Which govt. will license the project—the airborne station’s operating frequencies & channel? Danish showman Fritz Ruzicka has been named spokesman of the airborne project, which bears technical resemblance to the Stratovision flying-ETV program announced recently by the Midwest Council on Airborne TV Instruction (Vol. 15:42 p3).

Despite warnings from Scandinavian advertisers that delay in establishing commercial TV would bring such services in from outside sources (Vol. 15:45 p23), the Norwegian, Danish and Swedish broadcasting systems re-affirmed at the recent radio conference that no form of advertising or commercial TV programming is “acceptable.”

* * *

But Sweden may be flooded with floating radio before it’s bombed with flying TV. To pierce Sweden’s radio monopoly, it’s reported, a floating radio station with a 60,000-watt transmitter will be established 3 miles off the Swedish coast shortly by Texas oilman Gordon McLendon (whose McLendon Corp. radio chain includes Texas stations KLIF Dallas, KILT-AM-FM Houston, KTSA San Antonio; KABL Oakland, Cal.; WAKY Louisville; KEEL Shreveport, La.) McLendon is expected in Stockholm about now to set up the project, which will have American technical personnel, will broadcast 18 hours daily.

Japan’s in a TV dither over the question: Is the new 1091-ft. TV tower in Tokyo leaning to the south—or is the tower standing straight on land that’s listing to port? Several cameramen claim they have photographic proof that the 10-month-old structure has begun competing with Pisa’s famous landmark. Not so, deny Tokyo engineers. Tower chief engineer Wataru Tanaka argues that the photos represent optical illusions, caused by the sun, the horizon or some such thing. Tanaka says he’ll drop a plumb line one of these days to make sure.

“Scrutineer of Quiz Programs” is official title of Harry Norton, retired theatrical booking agent in London who now works for Associated TV Ltd. to see to it that British TV quizzes aren’t fixed. As program contractor for the Independent TV Authority, ATV assigns Norton to supervise such imports as *Dotto*, U.S. quiz which was the first to be dumped in the rigging scandal. He makes sure contestants don’t meet the producer, the producer doesn’t see questions, and the quizmaster is kept away from everything before the show goes on the air.

Taxes imposed by Guatemalan govt. on TV-radio stations and other private & commercial TV-radio services vary according to the number of hours the stations are operated, whether for national or international service, whether located in urban or rural areas and number of watts, reports Commerce Dept.’s *Foreign Commerce Weekly*. Quarterly fees for TV-radio stations run \$30-\$100.

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

SUMMARY-INDEX OF WEEK'S NEWS

FCC

FCC HEARS VOX POPULI ON PROGRAMMING. Religious, social, civic & educational spokesmen demand methods of forcing broadcasters to yield to criticisms (pp. 1 & 4).

Networks

REVIEW OF NETWORK SELF-REGULATORY steps since revelation of quiz scandals shows considerable list of constructive actions (p. 2).

AUBREY REPLACES COWAN in long rumored pair of executive moves at CBS-TV (p. 9).

NERVOUS WEEK FOR NBC-TV results from actor's accidental 7-letter word, the report of a talent fee kickback system on low-budget shows, and a Bob Hope sketch in which he portrayed "Herman Payola," DJ (p. 9).

Stations

NAB PICKS TASK FORCE to handle "ethical & legal issues" in FCC & FTC probes of TV & radio in latest of self-regulation moves since October (pp. 3 & 6).

STOREVISION, NEW DAYTIME ALLY. launches pilot operation, using WNTA-TV N.Y., on Jan. 18 with 3,200 receivers spotted to carry 54-hours-weekly "Day Watch" in 400 supermarkets (p. 3).

SPOTS STILL GAINING: Spot TV spending took its seasonal dip during July-Sept. but totaled \$133,581,000 for an 18% gain over 1958's 3rd-quarter level, TvB reports (p. 7).

FM STEREO FIELD TESTS by NSRC, slated for Pittsburgh's KDKA-FM, won't be completed by new March 15 FCC deadline. Another 3-to-6-month extension probably (p. 8).

Manufacturing & Distribution

BUSINESS CONSENSUS for 1960 sees strong uptrend in the economy, led by increased consumer spending. The experts' predictions are digested (pp. 15 & 18).

1960's NEW TV STAR will be 19-in. square-corner tube, according to tube & set makers, who register enthusiasm as first bulb samples arrive (p. 15).

23-IN. SETS FEATURED in new units shown to distributors by Motorola, RCA, Zenith. Zenith & RCA show new stereo lines with "multi-channel" speaker combinations (p. 15).

TV BUYER SURVEY in Look magazine's appliance study indicates 63% plan to buy same brand again; reliability is most important factor in TV purchase (p. 17).

Advertising

FTC CITES TED BATES agency's vp David Loomis and Brown & Williamson for alleged false claims for Life cigarets in TV, radio, print ads (p. 10).

Programming

CAMP DAVID SPIRIT IN AIR for U.S.-USSR TV-radio program swaps, following signing of new 2-year cultural pact. "When do we start?" Russians ask (p. 11).

LATEST NIELSEN REPORT shows slow-starting 60-min. shows now gaining; Westerns still big; 1959 viewing at peak (p. 12).

Film & Tape

HOW NOT TO SELL A PILOT: plan it to land eventually in anthology series (p. 12).

FCC, VOX POPULI, MORE HEADLINES: The public's advice to the FCC, on ways & means of improving TV, is that FCC & industry should accept more advice from the public. That was the main theme running through 4 solid days of testimony in FCC's programming hearing last week, by a broad cross-section of religious, social, civic & educational spokesmen.

The next most frequent recommendation was that FCC exercise to the hilt its powers over programming, risking court slapdowns if need be, meanwhile seeking Congressional backing in form of more explicit laws on program standards.

Split in philosophies of FCC members became more & more evident as the number of witnesses grew. Chmn. Doerfer never relaxed his fear of govt. censorship. Again & again, he asked witnesses if they want the Commission to determine: What literature is, what the difference is between murders in "Hamlet" and shootings in Westerns, whether today's pornography is tomorrow's classic, etc.

Comr. Ford was just as insistent, on other hand, in demonstrating his belief that FCC has duty of requiring licensees to spell out their efforts to meet needs of their communities.

Though it's also risky to attempt to classify Commissioners, it's apparent that Comrs. Bartley & Lee

lean toward a more active role for FCC, while Cross plays it exactly down the middle. Absent Comrs. Hyde & Craven, still in Geneva, are missing all the "fun." Hyde is difficult to assess, but he is usually a "case-by-case" operator, seldom goes for sweeping rules. Craven is way on other side of Doerfer, believes FCC has nothing to do with programs.

Doerfer received virtually no support from last week's witnesses. None equated a tougher Commission with censorship. What they wanted was a constant calling-to-account and some means of forcing broadcasters to react favorably to criticisms from the groups they represent.

Hearing resumes this week, scheduled to run Dec. 14, 15, 17 & 18. (For details of last week's testimony, see p. 4, for this week's witnesses, see p. 5.)

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FCC's payola questionnaire, meanwhile (Vol. 15:49 p1), had broadcasters & their attorneys scurrying last week. Questions were so broad that first impulse of Federal Communications Bar Assn. and NAB was to ask Commission for clarification. On second thought, FCBA decided to file a brief on laws & rules governing identification of those who pay for programs. NAB filed request to extend Jan. 4 deadline.

One question arising immediately was stations' traditional practice of accepting free records and playing them without identifying record-maker donors. Attorneys inform us that most stations will simply tell FCC about the practice, which is scarcely news to anyone, leaving it up to Commission to decide whether it's a crime.

REVIEW OF NETWORK CLEANUP: First quiz confessions before oversight probers in Oct. touched off a chain reaction at network level of new policies & directives, new cleanup depts., program changes & executive shuffles that's still continuing. It's the most thorough housecleaning in network history and will have profound effect on 1960 network operation. These are the highlights in the trend toward greater network self-regulation:

Policy—Although NBC-TV suspended Charles Van Doren from his \$50,000-a-year job even before his Nov. 2 admissions, it was CBS-TV that made the first big moves (Vol. 15:42 p6), with CBS Inc. Pres. Dr. Frank Stanton announcing in New Orleans a new taboo on big-money quiz shows, "misrepresentations" etc. When Stanton & NBC-TV Pres. Robert E. Kintner soon thereafter testified in Washington, both networks began broad revision of policies in the face of blaring headlines. CBS-TV took its cue from Stanton's early statements. NBC followed Kintner's Washington lead and speech by Chmn. Robert W. Sarnoff at affiliates meeting in N.Y. ABC-TV has ducked direct policy switches but has done some quiet tidying of its own. Almost from beginning of quiz hearings, critics suggested a network switch to British-style "magazine concept" TV. NBC & ABC have made no moves to do so, but CBS-TV is reported currently considering a wide variety (as many as 40) of internal proposals to strengthen network control on CBS programming.

Directives—To implement new policies, networks have issued cleanup directives right & left. First real blockbuster was 4-page Nov. 17 directive from then-exec. vp James T. Aubrey Jr. who laid down ground rules for quiz, interview, taped & comedy shows (Vol. 15:47 p9). Others were circulated: NBC insisted that top executives file depositions telling all they knew about quiz fixing (Vol. 15:45 p7), later followed with a similar probe of music payola. ABC-TV required its station DJs to sign a no-payola pledge (Vol. 15:48 p4), but didn't insist that Dick Clark sign after he dropped his outside music interests. CBS-TV's Stanton laid down the law on payola, CBS News Pres. Sig Mickelson announced no-fraud practices in news shows, and program practices vp Joseph H. Ream issued a new set of rules banning merchandise plugs (Vol. 15:49 p9). NBC issued its own prize merchandise memo the same week.

Executive changes—CBS-TV has also set a pace in organizing internal policing of new policies, naming Ream (Vol. 15:47 p3) to head a new watchdog operation. NBC-TV, although announcing its self-policing intentions earlier (Vol. 15:45 p6), then followed suit, naming James A. Stabile to a post comparable to Ream's (Vol. 15:49 p9). In this area, ABC-TV has held aloof, preferring to proceed with executives in existing jobs. Biggest switch of them all occurred last week when CBS-TV Pres. Louis G. Cowan resigned (see p. 9).

Program shuffles—In the wake of the quiz probes, networks took a hard look at their program lineups, and the axes started to drop. CBS-TV threw out 5½ hrs. weekly of quiz shows (daytime Top Dollar & Big Payoff, nighttime Name that Tune) at Stanton's order (Vol. 15:42 p6). NBC-TV, effective Oct. 26, threw out

ex-Barry & Enright daytime quiz strip Tic Tac Dough, replacing it with Truth or Consequences, later dropping its so-so spy series Five Fingers to replace it with prime-time news specials (Vol. 15:49 p11). Other NBC quiz-&-game packages remained intact. ABC-TV made some replacements (Dick Clark's World of Talent dropped Nov. 25 to be replaced by 21 Beacon St.; Treasure Hunt and Music Bingo dropped for Play Your Hunch and About Faces). Last week, CBS-TV scheduled a music-variety show, Be Our Guest, as a Jan. replacement for The Lineup. There was a definite downgrading of money quiz shows at all 3 networks, a slight trend away from dramas featuring violence, and a strong upbeat in big-budget news programming.

NAB's CHRONOLOGY: Since the October eruption, NAB's course of action for self-regulation has run as follows:

Oct. 16: Pres. Harold E. Fellows tells first NAB fall conference in Washington (and repeats statements at subsequent regional meetings) that it's no use to "try to explain or justify" quiz scandals. He promises proposals for TV Code amendments preventing "abuse of public acceptance & trust" (Vol. 15:42 p6).

Nov. 16-17: TV Code Review Board meets to draft amendments in conjunction with NAB fall meeting in Los Angeles (Vol. 15:47 p8).

Nov. 18: In closed-circuit telecast on 3 networks, Review Board Chmn. Donald H. McGannon pleads for fuller support of self-regulation by industry (Vol 15:47 p3).

Dec. 2: Fellows & McGannon tell FTC that NAB is ready for house-cleaning (Vol. 15:49 p2).

Dec. 4: NAB's TV Board adopts new Code rules to outlaw quiz rigging, payola, other frauds on air (Vol. 15:49 p3).

Dec. 9: NAB task force of broadcasters & staffers is named "to deal with the ethical & legal issues" confronting industry (see p. 6).

DOERFER BACKS 3 PROGRAM-IMPROVEMENT AIDS: FCC Chmn. Doerfer's concern lest Commission attempt to overstep the legal bars of censorship has received considerably more attention than his equally significant willingness to consider means of helping industry raise its levels of programming & advertising. For example, TV Guide interviewed him recently, and the Dec. 19 issue this week reports his approval of the following 3 ideas:

(1) Direct regulation of networks by FCC, after Congress amends law to permit it. Doerfer doesn't consider this a major factor but believes it would be helpful. "We can do almost anything now about networks [through the o&o's] that we could do if we licensed them directly," he said. "But it probably would be a good thing. There may be a few things we can't reach now." He had in mind, he said, such things as the gyrations of MBS which has no o&o's.

(2) Congressional anti-trust relief for networks "so that the networks could get together solely to raise the program & advertising levels." Ever fearful of govt. charges of "conspiracy," networks have almost always avoided any mutual consultation on almost anything. At the moment, public climate forces Justice Dept. to be less forbidding on that score—and, in fact, a summit session of top network executives was held recently in N.Y. (Vol. 15:45 p10)—but Doerfer believes that Congress should relieve networks of such anti-trust worries.

(3) FCC should employ NAB Code as a criterion in judging station performance. Doerfer made it clear that he doesn't believe FCC can use adherence or non-adherence to Code as sole or primary criterion. "The FCC would have to make its own independent study," he said. "It would consider the fact that the Code seal had been withdrawn from the station but that couldn't be the sole basis for failing to renew [a license]."

NEW DAYTIME ALLY—STOREVISION: Jan. 18 will see operational start of recently-created NTA Storevision. Ted Cott, NTA vp for o&o stations, is pres. of the subsidiary. Pilot operation in N.Y. has signed up 26 independent supermarket chains, numbering nearly 400 stores so far.

Storevision isn't a closed-circuit system, as is earlier Store Video Inc. It will operate on regular Ch. 13 of WNTA-TV N.Y., be available to home viewers as well as to store customers via 3,200 receivers (21-in. sets made for Storevision by Pacific Mercury Electronics). They're being installed by 64-man crew of construction div. of Jerrold Electronics Co.

Programming will be magazine-concept show running total of 54 hrs. weekly, titled Day Watch. Total commercial time in each hour of show (a mixture of news, service features, weather, shopping tips, etc.) will be the industry-approved 12 min., but commercial length will be 10-sec. participations, or total of 72 "shorties" in each 60-min. segment. Anticipated cost-per-1,000 will be an "incredibly low" 40¢.

Total of 8 pioneer advertisers, all with national brands, have signed so far for N.Y. A 20-min. leeway on product-type exclusivity is given in Day Watch, based on NTA studies which show average supermarket customer spends 23 mins. in store. Commercials are expected to have a "buy now" immediacy, since the Jerrold-installed sets (8 per store, suspended slightly above eye-level, with speakers on the bottom of receiver) will be near key traffic points in stores.

Franchise operation is being launched by Storevision to set up the system in other areas. "We find interest particularly among uhf stations in uhf-vhf markets," said Cott.

The FCC

More about

THE PUBLIC SPEAKS: Three religious leaders led off in FCC's hearing on programming (see p. 1), and all found TV's shortcomings a reflection of moral weaknesses in the whole society—not simply laxity & transgressions by FCC & the industry.

James Wine, associate general secy. of the National Council of Churches of Christ (Protestant), said the problem was FCC's "lack of will to enforce" and the industry's "lack of will to obey." He recommended that FCC conduct local hearings at regular intervals to get the public's view of local programming, that broadcasters be required to publicize their applications for license renewal, that FCC publish standards for renewals.

The Very Rev. Celestin J. Steiner, pres. of U. of Detroit and the Catholic Bcstg. Assn., urged that FCC spell out its ideas of the "public interest" and that the Commission examine closely any licensee who has been disciplined by the industry for infractions of its Code.

Dr. Bernard Mandelbaum, provost of the Jewish Theological Seminary, called for the creation of an Institute on Values in the Mass Media to study the moral & ethical problems. The Institute, he said, would "help create an increasingly responsible moral climate."

Violence Draws Fire of Many

A succession of national civic leaders followed, most of whom castigated TV for too much "horror" & "violence" and asserted that the FCC must clamp down. Witnesses represented National Congress of Parents & Teachers, National Assn. for Better Radio & TV, American Assn. of University Women, General Federation of Women's Clubs.

The farmers are split, apparently. Roy Battles, of the National Grange, said the industry is doing a "reasonably good job" and can be expected to correct abuses without govt. intervention. But Angus McDonald, of the National Farmers Union, blasted networks for the "steady deterioration" of programs, asserted that the public & FCC "must drive the Madison Ave. people from the TV temple."

Dr. Eugene F. Hoffman, American Medical Assn., said the industry is improving both programs & commercials.

Then came the professors, and the Commissioners showed by their questions they believed they were getting closer to the issue—their powers, present & potential.

Prof. Walter B. Emery, Michigan State U., received close attention—for he had served FCC 10 years, part of them as legal asst. to former Chmn. Paul Walker. Emery's main point was that Congress left the Commission

uncertain about its powers over programming and should now spell out more clearly what it meant by the "public interest interest, convenience & necessity."

Msgr. John J. McClafferty, Catholic U., stated that a much strengthened industry code would help greatly. He said that the code should cover not only stations & networks but sponsors, agencies & program producers.

Comr. Ford then brought out a question which he was to ask of every subsequent witness. It dealt with the possibility of establishing, by law, a sort of govt.-backed technique of industry self-regulation. Ford propounded a setup whereby all stations would be required to belong to an association. The association would conduct local or regional hearings on transgressions by its members. After hearings, recommendations by the association would be given heavy weight by the FCC—with final review available through the courts, as at present. Ford had in mind the National Assn. of Security Dealers, established by law. It can punish its own members with reprimands, fines, suspension or expulsion. SEC often follows up with punishment of its own—up to revocation of brokers' licenses.

Doerfer on Censorship

Prof. William Y. Elliott, Harvard U., said that a big-name national advisory commission must study the situation before solid advice can be given to the Commission & the industry. Elliott roamed far & wide in his attack on programs but admitted that TV brings some great drama sometimes, "and I'm not yet ready to recommend bureaucratic control." He had one specific recommendation for change now: each licensee to be required to telecast at least one sustaining program of high quality every evening in prime time. Elliott said he'd need to study Ford's question about a govt.-backed self-regulation system, but he offered this about industry committees in general: "They're very good for intra-industry problems, but they don't give enough representation to the broad public interest factors." Chmn. Doerfer's questions dwelled on his favorite subject—U.S. Supreme Court decisions on censorship. Elliott said that the court changes its views from time to time, agreed with Doerfer that FCC shouldn't try to interpret the Constitution and should ask Congress for guidance.

Prof. Paul Lazarsfeld, Columbia U., recommended a 5-year program of research to establish programming criteria. "FCC listens to technical groups," he said, "why not to social scientists?"

Prof. Ithiel Poole, MIT, suggested a multi-million-dollar research project to determine what kinds of programs will "actually raise or lower the general standards of the citizen body." He said no one really knows the effects of programs. For example, "seeing violence acted out in dramatic form may purge children of similar feelings."

Prof. William F. Lynch, Georgetown U., said that standards should be created by a "national citizens council."

Prof. Reuel Denny, U. of Chicago, urged establishment of a foundation to review broadcasters' performance.

Prof. Percy Tannenbaum, U. of Wis., seconded Prof. Poole's motion and suggested that the research be done by an organization such as Social Science Research Council.

Prof. Sydney W. Head, U. of Miami, suggested that govt., industry, education, foundations and others explore the "ethical implications of the broadcaster's role in our society." Then, he said, there should be developed "educational goals & methods that could be of immediate practical value in the guidance & development of education for broadcasting as a profession."

Shades of the Blue Book

The grimmest exchange of the week came between N.Y.U. Prof. Charles Siepmann and Doerfer after Siepmann delivered a very bitter attack on the industry & the character of the Commissioners themselves. Siepmann, who once worked for BBC, had been a consultant to FCC on its famous 1946 "Blue Book," which was an attempt to impose a set of program standards on the industry. What may have provoked Doerfer was such statements as this: "The activities of the FCC [and] its record as guardian of the public interest has, in the judgment of many, been fitful, hesitant and, on occasion, downright pusillanimous . . . The Commission has been charged in recent years with practices which suggest that Caesar's wife has not always been its model respecting conduct becoming to officials whose absolute integrity the public is entitled to assume." Siepmann offered several recommendations, including local FCC renewal hearings, "divorce" of programming & advertising, a continuing "audit" of programming by educational groups.

Then, Doerfer went to work like the prosecuting attorney he once was, finally forcing Siepmann to assert that he resented "impertinent" questions and "cross-examination." How, asked Doerfer, could the FCC hold some 1500 renewal hearings a year? Answer: Do a sampling. Doerfer wanted to know how "60,000 hours of programming a week" could be monitored. Said Siepmann: Sample.

Prof. Gilbert Seldes, dir. of the Annenberg School of Communications, U. of Pa., seconded proposals for full-dress FCC hearings on license renewals. "I suggest," he said, "that the FCC make it mandatory for each station to announce at specified intervals that the FCC will hear its application and that written criticism as well as personal appearance before the Commission is invited. It would, of course, be desirable for the Commission to hear each application locally." Seldes spurned suggestions that what the TV-radio industry needs is "a czar." Seldes said that if he were to "pass judgment" on broadcasting's performance generally, "it would be, on the whole, a favorable one."

Patrick Murphy Malin, exec. dir. of the American Civil Liberties Union, urged FCC to utilize its existing authority "to promote the maximum possible range & balance in over-all programming." So far, he said, FCC hasn't taken "nearly enough positive action" to see to it that licensees carry out their public-service responsibilities. He added that FCC needs additional authority from Congress for direct licensing of networks so that their program policies can be watched closely. He warned against any move that would give FCC authority to censor specific TV or radio programs, however.

William F. Buckley, editor of *The National Review*, said that pay TV could lift TV's program level.

Forestalling AM Freeze: FCC Chmn. Doerfer last week hinted at a possible freeze on the granting of all AM applications until red tape is untangled. His audience at a meeting called by the Federal Communications Bar Assn. vowed to do all it can to make the freeze unnecessary. FCBA resolved to appoint 4 *ad hoc* committees in Jan., each including representatives of FCC, FCBA and the Assn. of Federal Communications Consulting Engineers, each to attack specific areas of the log jam.

FCC program hearing (see pp. 2 & 4) witnesses this week include: Dec. 14—Prof. Elmer E. Smead, Dartmouth College; *Harper's*, editor John Fischer; American Heritage Publishing Co., editor Eric Larrabee; Science Service, dir. Watson Davis; National Education Assn., Pres. Dr. Walter W. Eshelman; Links Inc., Mrs. Pauline S. Weeden. Dec. 15—Radio-TV News Directors Assn., Ralph Renick; Prof. Robert Gessner, NYU; Greater Kansas City Council of Churches, gen. secy. Dr. Stanley I. Stuber; Harold E. Younkman, Madison County (O.) schools pupil personnel supervisor; Erwin Frankel Productions, Erwin Y. Frankel; Union of American Hebrew Congregations, Rabbi Maurice Eisendrath.

Miami Ch. 10 conspiracy case was cleared for retrial last week by the Supreme Court. In a brief order which carried no opinion, the Supreme Court rejected an appeal by ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside from refusal by U.S. District Court Judge Burnita S. Matthews to direct a verdict of acquittal in their first trial, which ended in a hung jury. A new retrial date was not immediately set by District Court Judge Charles F. McLaughlin, assigned to preside over the 2nd trial. He had first set it for Nov. 12, but agreed to an "indefinite" postponement pending outcome of the appeal (Vol. 15:46 p5).

Radio KFWB Los Angeles last week had its Nov. 12 license renewal set aside and put in the pending file while FCC ponders whether the station adequately sought out opposing views on a controversial issue. KFWB had received a renewal accidentally, before the Commission concluded whether or not the station had been diligent in presenting conflicting views on "Proposition 16" during the Nov. 1958 elections. The issue dealt with tax exemptions for parochial & private schools. The other radio stations similarly involved are KNX & KMPC Los Angeles, KOBV San Francisco & KVON Napa.

WTHI-TV Terre Haute, now operating on Ch. 10, was tentatively awarded Ch. 2 in an initial decision issued last week by FCC examiner Annie Neal Huntting. She held that WTHI-TV outweighed competitor Illiana Telecasting Corp. because of its past broadcast record, diversification of business interests, local residence, civic participation and experience. Illiana ownership interlocks with WSJV South Bend & WKJG-TV Ft. Wayne.

Federal Communications Bar Assn. holds its annual banquet Jan. 8 at the Statler Hotel, Washington. FCBA intends to make it a real VIP affair, celebrating FCC's 25 years of existence. Among those invited: Vice President Nixon, former President Hoover, former members & secretaries of the Federal Radio Commission and FCC, presidents of other communications companies such as AT&T, Western Union, etc. ASCAP will provide the entertainment.

Single application for new TV station filed with FCC last week was for Ch. 27, Tulare-Visalia, Cal. by consultant Norwood J. Patterson who is leasing the facilities of off-air KVVG-TV Tulare.

Stations

More about

NAB PICKS TASK FORCE: Quickly following up Dec. 4 actions by NAB's TV Board to reinforce anti-fraud self-regulation in the TV Code (Vol. 15:49 p3), NAB Pres Harold E. Fellows last week appointed a 12-man TV-radio task force "to deal with the ethical & legal issues" stemming from quiz & payola scandals.

In another swift development, NAB's Standards of Good [radio] Practice committee was summoned by Chmn. Cliff Gill (KEZY Anaheim, Cal.) to meet in Washington Dec. 16 to bring the Radio Code into line with new TV rules. The 8-member NAB unit will vote on similar amendments on deceptive ads, payola, program fakery.

"This special committee will cooperate wholeheartedly with investigations by govt. agencies," Fellows said in picking members of the clean-up squad, half of them broadcasters, half NAB staffers. It had been authorized 4 days earlier in Washington by NAB directors, who deplored "the unethical & reprehensible actions of a few."

Referring specifically to TV & radio inquiries by FCC (see p. 1) & FTC (Vol. 15:49 p2), Fellows added:

"We welcome these investigations. We know they will bring out the full story of broadcasting's tremendous service to the American public, which far transcends the misdeeds of a few individuals.

"The broadcasting industry has already taken specific, positive action to clean its own house. Strong new amendments have been added to the TV Code to protect the public from deceptive programs & advertising. Radio [has] increased emphasis on its Standards of Good Practice.

"Broadcasters are taking quick action against wrongdoing wherever they find it."

Intermission for Evidence Gathering

Meanwhile the govt. probing unit which started it all—the House Commerce legislative oversight subcommittee—gave the industry a breathing spell (if not a reprieve) from its hot witness seat. The subcommittee headed by Rep. Harris (D-Ark.) met in closed session, decided to give its staff another 5 or 6 weeks to prepare payola evidence before proceeding with any public hearings.

"We will have hearings if we develop the information to justify them," said Harris after the executive meeting broke up. Payola investigations by FCC, FTC and a N.Y. grand jury will "in no way interfere" with the overseers' study of that phase of broadcasting's ills, he said.

Harris also had some reassuring words for broadcasters who may be worried about being dragged unfairly into public proceedings on payola practices. Those "who are in the clear" can stop worrying, he said; "any broadcaster who has not engaged in [it] has nothing to fear."

At the subcommittee's end of the Capitol, hardest news of the week wasn't made by the overseers themselves but by 2 ex-staffers: (1) Francis X. McLaughlin, who left the subcommittee's payroll a year ago, announced he is opening a Comper Consultants (for "communication personnel") office in Washington to do payola sleuthing for stations which want to find out what their disc jockeys are up to. He said his fees will range from \$350 to \$1,000 per year, depending on a station's size. (2) Richard N. Goodwin, author of a *Life* article on the quiz probe which raised subcommittee eyebrows (Vol. 15:46 p8), confirmed reports that he had left its payroll as of Dec. 5. He is joining the staff of Sen. Kennedy (D-Mass.) to do research & speechwriting.

On the NAB front, Fellows tapped himself and the following for task-force duty:

From the stations (all NAB directors): F. C. Sowell, pres.-gen. mgr. of radio WLAC Nashville; G. Richard Shafto, exec. vp of WIS-TV Columbia, S.C.; Merrill Lindsay, exec. vp of radio WSOY Decatur, Ill.; Dwight W. Martin, chmn. of WAFB-TV Baton Rouge; Daniel W. Kops, pres. of radio WAVZ New Haven; Clair M. McCollough, pres.-gen. mgr. of Steinman Stations.

From NAB's staff: TV vp Thad H. Brown Jr., radio vp John F. Meagher, govt. relations mgr. Vincent T. Wasilewski, chief counsel Douglas A. Anello, joint TV-radio affairs asst. Howard H. Bell.

The next scheduled meeting of the NAB board in Palm Springs, Cal. was cancelled—along with all other meetings of NAB committees—so that all NAB personnel can be "immediately & completely available" for clean-up squad help. As the board put it: "Matters affecting the broadcasting industry encompassing all aspects of its regulation by govt. and its self-regulatory processes are of overriding & immediate import."

Unaffected by the NAB schedule-revamping are its 5th annual conference of presidents of States Assns. of Bcstrs. in Washington Feb. 24-25 and the 38th annual NAB convention in Chicago April 3-7.

Columbia Pictures formally took over KDYL Salt Lake City from Time Inc. last week in ceremonies at which Time Inc.'s bestg. vp Weston C. Pullen had some words for NBC Chmn. Robert W. Sarnoff. Noting Sarnoff's criticism of *Time* for its handling of the TV quiz story while the parent company operated 5 stations (Vol. 15:47 p7), Pullen said he wanted it made "crystal clear" that the \$3.1 million deal with Columbia (Vol. 15:31 p11) was made before the quiz scandals broke in Washington. "Time Inc. is in no way pulling out of, or from, the broadcast industry," Pullen said. "We are very much in the communications business and hope to remain in it." He reiterated that subsidiary TLF Bcstrs. Inc. is looking for a bigger metropolitan market for a station acquisition to replace the Salt Lake City properties. Remaining Time Inc. stations now are KLZ-TV & KLZ Denver, WOOD-TV & WOOD Grand Rapids, WFBM-TV & WFBM Indianapolis, WTCN-TV & WTCN Minneapolis.

Prompt & decisive action by NAB to "accept the responsibility for saying that a program or commercial meets—or fails to meet—the standards to which we have subscribed" was urged last week by TvB Chmn. Roger W. Clipp (vp-gen. mgr., TV-radio div., Triangle Publications, Inc.). In a letter to Biscayne TV Corp. Pres.-gen. mgr. Niles Trammell, Clipp declared: "I feel that Harold Fellows & Dick Shafto are begging the issue when they say it would cost \$2 million to effectuate my proposal [to preview TV shows & commercials, Vol. 15:47 p8], and that previewing is contrary to self-regulation & tantamount to censorship. Both viewpoints are greatly exaggerated; the previewing job can be done for an additional \$250,000. Furthermore, if previewing is censorship, so is postviewing (monitoring) which has been a major activity of the Code Board for the last 2 years."

Evangelist Billy Graham is pres. of non-profit Blue Ridge Bestg. Corp. which applied last week for an AM station in Black Mountain, N.C., 1010 kc, 10 kw daytime.

RCA shipped a 25-kw transmitter Dec. 8 to WEAR-TV (Ch. 3) Pensacola, Fla., which is planning boost to 100 kw and move to a site between Pensacola & Mobile, Ala.

100 Largest TV-Spot Advertisers of 1959's 3rd Quarter

Gross time costs only, as estimated by Television Bureau of Advertising (TvB) in cooperation with N. C. Rorabaugh Co.

Rank	Advertisers	Amount	Rank	Advertisers	Amount
1.	Procter & Gamble.....	\$11,219,800	51.	Pbarma-Craft	512,800
2.	Adell Chemical	4,774,800	52.	Jacob Ruppert	509,200
3.	General Foods	3,576,400	53.	Andrew Jergens	499,700
4.	Lever Brothers	3,126,300	54.	Falstaff Brewing	488,000
5.	Colgate-Palmolive	3,106,600	55.	Internat. Sboe	487,800
6.	Amer. Home Prod....	2,931,600	56.	Pan-Am. Airways ..	485,400
7.	Continental Bkg. ...	2,625,200	57.	Helena Rubinstein..	480,900
8.	Warner-Lambert ...	2,355,200	58.	Food Mfgs., Inc.....	479,500
9.	Brown & Williams'n ..	2,327,500	59.	Gallo Winery	461,600
10.	Reynolds Tobacco ...	2,223,400	60.	J. A. Folger	457,400
11.	Bristol-Myers Co....	1,714,600	61.	Hertz Corp.	457,000
12.	Miles Labs	1,629,900	62.	Helene Curtis	454,900
13.	Kellogg	1,620,400	63.	Fels & Co.	440,700
14.	Philip Morris	1,371,800	64.	Liggett & Myers	437,400
15.	Gillette	1,278,200	65.	Std. Oil (Ind.)	435,800
16.	International Latex ..	1,248,900	66.	Schlitz Brewing	431,700
17.	Carter Products	1,210,100	67.	Atlantic Refining....	409,700
18.	Texize Chemical	1,175,900	68.	C. Schmidt & Sons..	403,700
19.	Laolin Plus	1,031,000	69.	Maybelline	400,000
20.	Ford	1,024,600	70.	Alberto-Culver	396,000
21.	Pabst	986,800	71.	Armstrong Rubber..	392,700
22.	P. Lorillard	939,000	72.	Pillsbury	390,500
23.	General Motors	937,800	73.	Wilson & Co.	380,600
24.	Anbeuser-Busch	905,300	74.	P. Ballantine	380,200
25.	Drug Research	887,100	75.	M.J.B. Co.	367,200
26.	Wesson Oil	887,000	76.	Vic Tanny Enter....	360,000
27.	Associated Products ..	827,100	77.	Safeway Stores	354,700
28.	Coca-Cola	826,100	78.	Piel Bros.	345,600
29.	Pepsi-Cola	823,900	79.	S. C. Johnson	343,800
30.	Corn Products	772,200	80.	Paxton & G'il'gber ..	340,100
31.	Sterling Drug	747,500	81.	Pacific T & T	328,100
32.	Welch Grape Juice..	738,200	82.	Std. Oil (Cal.)	324,800
33.	Robret Hall	733,200	83.	Parker Pen	321,900
34.	Amer. Tobacco	706,900	84.	Phillips Petroleum..	315,800
35.	Avon Products	696,200	85.	Schaefer Brewing....	314,800
36.	General Mills	692,500	86.	Chrysler	312,400
37.	Carling Brewing	679,500	87.	Kroger Co.	310,800
38.	Wm. Wrigley Jr.	651,700	88.	Interstate Bakeries..	308,400
39.	Max Factor	651,700	89.	B'rgrm'st'r Brew....	308,000
40.	Ralston-Purina	649,000	90.	Ex-Lax	307,300
41.	Sbell Oil	645,700	91.	Duncan Coffee	306,100
42.	Esso Standard Oil....	637,200	92.	Rayco Mfg.	303,000
43.	B. T. Babbitt	625,100	93.	Dr. Pepper	299,500
44.	Norwich Pharmacal ..	593,000	94.	Barcolene Co.	289,500
45.	Sun Oil	566,800	95.	Hills Bros. Coffee..	286,300
46.	Revlon	544,600	96.	American Snuff	285,900
47.	Theo. Hamm Brew. ..	544,000	97.	National Brewing ..	285,300
48.	American Chiclé	522,000	98.	Jackson Brewing ..	280,600
49.	U.S. Borax Corp.	520,000	99.	Atlantis Sales	275,100
50.	Nestle Co.	512,900	100.	A & P	272,500

WRCA-TV N.Y. sales reached a new high for the 26th consecutive month in Nov., with sales up 18.4% over Nov. 1958. Max E. Buck, station mgr., announced that this year's 11-month sales have already exceeded all of 1958's billings by 6%.

Move of KVVU (Ch. 2) Santa Fe to Sandia Crest, plus an increase in power from .324 to 28.2 kw, was recommended in an initial decision last week by FCC examiner Herbert Sharfman. KVVU had received Commission authorization for the changes Dec. 18, 1957, but the effectiveness of the grant had been withheld pending hearing on protests against changes for CP-holder KVVU filed by KGGM-TV (Ch. 13) and KOAT-TV (Ch. 7) Albuquerque.

KIFI Idaho Falls, Ida. was granted Ch. 8 last week, the FCC making effective immediately an initial decision in its favor. Competitor Sam H. Bennion's application had been dismissed with prejudice by chief hearing examiner James Cunningham. Bennion contested Cunningham's decision but the FCC turned him down.

Shift of WLUK-TV's Ch. 11 from Marinette to Green Bay, Wis., requested by the station, has been proposed by FCC in a notice of rule-making. Also proposed was the drop-in of educational Ch. 13 for Fargo, N.D., at the request of the Joint Council of Educational TV.

"Learn—and Live" campaign started last year by NAB to pose space-age problems & challenges for viewers & listeners has enlisted 694 participating TV & radio stations so far.

SPOTS STILL GAINING: Spot-TV spending took its seasonal dip during July-Sept. but stayed 18% ahead of 1958's 3rd-quarter volume with a big \$133,581,000, reports TvB & N. C. Rorabaugh. The July-Sept. spending, reflecting the hot-weather business sag, was down from the 2nd quarter's \$158.9 million level (Vol. 15:38).

For 1959's first 3 quarters, total spot spending increased 23.8% to \$448,904,000 from \$362,599,000 in Jan.-Sept. 1958 (The 3rd-quarter 1959 figures are based on reports from 317 stations which account for some 90% of total spot revenue.)

More than half of the 3rd-quarter spot dollars (54.1%, \$72,245,000) were invested in night TV. Day spots accounted for 32.7% (\$43,716,000) of the total and late night, 13.2% (\$17,620,000).

Announcements continued as the dominant format for spot activity, accounting for 75.4% (\$100,693,000) of the total investment. Programs took a 14.4% bite (\$19,231,000); IDs were used for the remaining 10.2% (\$13,657,000).

The 3rd quarter's heaviest category spot-spender was food & grocery products, with a total investment of \$30,218,000. The largest 3rd-quarter-to-3rd-quarter gain was racked up by the automotive category—which jumped its spot spending 264% from \$1,438,000 to \$5,233,000.

Procter & Gamble and Adell Chemical took win & place as the 3rd-quarter's top spot spenders, repeating their performances of the 2nd quarter. Colgate-Palmolive, however, dropped from 3rd to 5th, supplanted by General Foods which moved up from 4th to 3rd, and by Lever Bros. which climbed from 5th to 4th.

Newcomers to the Top-100: American Snuff, Barcolene, International Shoe, and C. Schmidt & Sons.

Dramatic stunt by KOLO-TV Reno to promote the Nevada city as a year-round resort consisted of a \$100 prize for the viewer with the most accurate prophecy of the number of vehicles that would pass over the Donner Summit on Rt. 40 (principal route east from San Francisco) between 6 p.m. Fri. & 10 p.m. Sun. on a given Nov. week-end. News dir. Bob Carroll & program staffer Bob Lake pitched a tent on the below-freezing summit that week-end to make an on-the-spot count over the 52-hour period. The winner guessed 12,500 cars. Actual count: 12,510.

Goodwill holiday gesture by KETV Omaha last year engendered such favorable comment that the station is repeating its "Christmas Call Contest," vp-gen-mgr. Eugene S. Thomas reports. Viewer with the reason considered most compelling is granted a person-to-person telephone call to anywhere in the world on Christmas Day. Last year's winner was an escapee from a Nazi concentration camp who hadn't seen his brother for 20 years. The brother was reached by telephone in Bondi, Australia.

TV's "intangible bonus values" (such as "sponsor identification, off-the-air impact, personality salesman, association with an important medium") must be emphasized in sales presentations, ABC-TV dir. of sales development Bert Briller told an RTES timebuying & selling luncheon clinic. Successful presentations must be "simple & vivid" and "must give the listener a chance to ask questions."

Call letter change: KICA-TV & KICA Clovis, N.M. Dec. 9 to KVER-TV & KVER.

RCA TV tape recorder has been purchased by WTOPTV Washington, for installation shortly after Jan. 1.

FM STEREO FIELD TESTS: EIA last week requested FCC to extend the deadline for comments on FM stereo systems from Dec. 11 to March 15 (Vol. 15:49 p5)—but it's now learned that another extension of 3 to 6 more months will be necessary in order to field-test the systems. It's expected that EIA's National Stereo Radio Committee will file the preliminary results of its studies by the March 15 deadline, and then request the further extension for tests.

Field tests will be conducted in Pittsburgh (not Washington, as previously reported), with further tests possible in San Diego. Westinghouse's KDKA-FM has offered its facilities to NSRC's field testing panel, headed by NAB engineering dir. A. Prose Walker. If West Coast tests are held, facilities of KFSD-FM probably will be used.

The panel probably will test 5 or 6 different systems, requiring the installation of that many different transmitters at the test station. Another delaying factor will be the necessity of installing a new antenna at KDKA-FM—and the time schedule on this is uncertain because of weather. Panel dir. Walker and his associates, too—like other NSRC members—have little or no free time and must squeeze their stereo committee duties into already packed work schedules.

Here's how the stereo field tests will be conducted: When the systems specifications panel completes its work on delineation of the various stereo systems, proponents of each accepted system will supervise the installation of their equipment at KDKA-FM and provide the test panel with receiving equipment.

A stereo test tape, now being developed at Bell Labs by the subjective aspect panel (Dr. A. N. Goldsmith, chmn.), will be used as the program material. Receivers will be installed in at least 2 test locations—in gentle rolling terrain and in the more rugged mountainous areas near Pittsburgh, to test the effects of multipath transmission—and their output will be taped by the test panel for comparison with the original test tape program.

(The test tape, incidentally, is destined to become extremely valuable to stereo in all its forms—sort of a "test pattern" for stereophonic recording and radio. It undoubtedly will become a standard test of stereo fidelity.)

FCC still hasn't responded to EIA's request to set up a "little TASO" for AM stereo—which EIA hopes would bring RCA & CBS back into the NSRC fold (Vol. 15:49 p5).

* * *

FM financial picture is too cloudy, NAB's FM radio committee has concluded. Meeting in Washington, the committee headed by Ben W. Strouse (WWDC & WWDC-FM Washington) directed the NAB staff to ask FCC to get better breakdowns of time sales of AM-FM licensees, who aren't required now to report FM station expenses separately. The result is that official industry totals for FM expense & income aren't available. The NAB committee also: (1) Voted continued support of the Assn. of FCC Consulting Engineers for its modernization study of FCC's FM technical rules. (2) Heard NAB research mgr. Richard M. Allerton report that FM set imports last year reached at least 78,000—and may have totaled 90,000. (3) Noted that NAB's FM membership as of Dec. 2 totaled 451 vs. 367 a year earlier. (4) Received a progress report from Pres. C. Fred Rabell (KITT-FM San Diego) of the National Assn. of FM Bcstrs., who said it's in the black, plans to hire a national director eventually, and wants to become "the RAB of FM."

7 Vie for Montreal: Nov. 30's deadline passed with 7 Canadian applicants for private operation of TV stations in Montreal in competition with CBC (Vol. 15:47 p4), the Canadian Transport Dept. announced. They are: Canadian Marconi Co., Mount Royal Independent TV Ltd. and Sovereign Film Distributors Ltd. (English language) and Raymond Crepault, La Compagnie de Publication de la Presse Ltd., Paul l'Anglais and radio CKVL Verdun, Que. (French language). Due Dec. 31 are applications for a commercial station in Toronto, for which one contender is the Upper Canada Bcstg. Co., partly owned by comedians Johnny Wayne & Frank Shuster and founder Tom Patterson of the Stratford (Ont.) Shakespeare Festival.

No Canadian Payola: Canada's TV & radio has been found free of payola. The not-guilty verdict came from the consultative committee on private broadcasting, formed by the government's Board of Broadcast Governors & the private industry's Canadian Assn. of Bcsters. The committee said no complaints had been made to BBG, not even suspicions; and that CAB had no knowledge of payola operations in Canada. It gave 4 reasons why circumstances that brought payola in the U.S. are not likely to develop in Canada:

(1) Smaller stations serving smaller audiences offer smaller gains from distribution of records. (2) Fewer companies distribute records in Canada, half a dozen compared with 600 in the U.S. (3) There's more direct program control by management in Canadian stations. (4) Canadian hits are largely determined by U.S. popularity.

BBG is the federal government's administrative authority and regulator of both radio and TV, and the committee was set up after CAB accepted an invitation to participate in an exchange of information and views. Neither group can make decisions affecting the other, but they'll help each other iron out regulatory & other problems, and meet 3 or 4 times annually—more if warranted. Next meeting probably will be in the spring.

CBC low-power outlets now on test patterns are CBAFT (Ch. 11) Moncton, N.B. and CBLAT (Ch. 8) Kenora, Ont., although specific programming targets haven't been set. Each has RCA transmitter & wavestack antenna. CBAFT has 128-ft. tower. CBLAT has 175-ft. Micro tower with wavestack antenna. CBC's CBWFT (Ch. 6) Winnipeg, Man., planned as French-language companion to CBWT (Ch. 3) there, has April 1 test pattern target. Equipment hasn't been ordered as yet, but it will be installed in CBWT transmitter house and on CBWT tower. CBC's other low-power outlet, CBUAT (Ch. 11) Trail, B.C. has been held up for decision on where to put transmitter & tower.

"Unethical fringe" of TV & radio isn't representative of the broadcasting industry, NAB's organizational services dir. Frederick H. Garrigus assured the Spokane Chamber of Commerce in a luncheon speech. "Most broadcasters are solid citizens within the various communities which they serve," he said. "They are vitally interested in the various & diverse problems of these communities. Part of this, of course, is business expediency, but it is . . . born out of self-respect & honest regard for their fellow man."

Metropolitan Bcstg. Corp. continues its expansion with the purchase of commercial shortwave outlet WRUL Scituate, Mass., for more than \$1 million, subject to FCC approval. WRUL broadcasts in Spanish, Portugese & English to Latin America, Europe, Africa, Australia, Mideast.

Networks

More about

Aubrey Replaces Cowan: The pre-planned timetable under which Louis G. Cowan was to step down at the tactical moment as pres. of CBS-TV in favor of exec. vp James T. Aubrey Jr. (Vol. 15:49 p11) blew up with a loud bang last week. Within a matter of hours on Dec. 8, Cowan submitted a 30-days-notice letter of resignation to CBS Inc. Pres. Dr. Frank Stanton. Stanton replied by letter that he was accepting Cowan's resignation "effective immediately," and Aubrey was named to the (over-\$100,000-annually) presidency. The following day, Aubrey was elected a member of the CBS Inc. board.

Cowan's letter of resignation had painted a portrait of a private Coventry (no communication for 2 weeks with his office, Stanton's insistence that Cowan's health didn't permit him to return to work, Cowan's feeling that the real reason lay in his however-pure connection with *\$64,000 Question*, constant rumors of Cowan's resignation) that had made it "impossible" to continue in the top CBS-TV post. Dr. Stanton's reply referred to a Cowan resignation planned for "the end of this year or by June of 1960," and reminded Cowan that "administration is not your forte."

It was the 2nd time Aubrey had replaced Cowan. When young, fast-paced Aubrey rejoined CBS in April 1958 (he had been mgr. of CBS-TV network programs, Hollywood, when he joined ABC-TV as program-talent vp in Dec. 1956) it was with the title of vp-creative services. Pre-Aubrey occupant of the job, which serves as a link between top executive management & the CBS-TV divisions dealing with creative product: Louis G. Cowan.

In the wake of the executive shuffle, new questions appeared, some without final answers. Would Cowan testify at the FCC program hearings? "No," he told the N.Y. press, and CBS-TV confirmed this to us. Was there to be an exec. vp replacement for Aubrey? None was immediately announced, and we learned reliably that the title (a rank also held by Hubbell Robinson Jr. at CBS-TV for some time) may simply be retired until a suitable executive can be found, or shelved indefinitely. What are Cowan's future plans? A possible lecture tour and "an offer to write 2 books," he said.

Guterma Trial Begins: Ex-MBS head Alexander L. Guterma had "legitimate reasons" for not filing financial reports for the fiscal year ended July 31, 1958, attorney Richard H. Wels told the federal district court in N.Y. last week. Guterma, business associate Robert J. Eveleigh and several holding companies (including F. L. Jacobs Co.) are on trial on the first of 3 fraud indictments, charged with conspiracy to defraud the government by filing false & misleading financial reports with SEC and the N.Y. Stock Exchange, in affairs of the Jacobs Co. (Vol. 15:11 et seq.).

If convicted, Guterma faces a maximum penalty of 5 years in prison and \$10,000 fine on the conspiracy count and 2 yrs., \$10,000 fine on each of 20 additional counts of fraud for which he hasn't yet been tried. Wels said he will attempt to prove that Guterma did not "willfully delay, obstruct and hinder" the filing. Principal witness last week was Firman H. Hass, certified public accountant, who testified that Guterma asked Hass to go easy on auditing his (Guterma's) books. Earlier in the week the Jacobs Co. pleaded guilty to the charge, but sentence has been reserved until conclusion of the trial.

Nervous Week for NBC: A slip-of-the-tongue by actor George Grizzard during the Ford-sponsored "My 3 Angels" special Dec. 8 made NBC-TV audiences in the Eastern & Central time zones wonder if they had really heard the man say "bastard." They had. But memories of the line's original Broadway wording were too strong for Grizzard during on-the-air excitement. Nobody minded particularly, NBC-TV continuity acceptance dir. Stockton Helffrich told us. Of the 7 night phone calls, 4 objected, 3 applauded. Taking no chances in a season where TV is all too prominent in the press, NBC-TV carefully edited-out the unexpected touch of neo-realism in the video-taped repeat for the Western time zones.

Earlier that day, NBC-TV's newly appointed vp for standards & practices, James A. Stabile (Vol. 15:49 p9), had found himself faced with a *N.Y. Post* report of a kick-back system on talent fees. The story: A gospel recording group, the Clara Ward Singers, charged they had appeared 4 times on NBC's *Today* in 1957 & 1958, had been paid union scale (total of \$1,041 per telecast for the group), and had then refunded \$520 in response to an NBC bill sent to Ward House of Music (the group's business name) for "promotion." Stabile admitted that "this has been a common practice in the industry" (i.e., personalities appearing on low-budgeted *Today* and similar shows to promote records, club dates, movies etc. and agreeing beforehand to absorb some portion of talent costs because of TV promotional value received) but added his dept. has "issued instructions for the termination of such practices on NBC."

To make NBC's week complete, its Hollywood div. learned that the Dec. 11 *Bob Hope Show* was about to give the TV industry a fast dose of social satire. Hope appeared as "Herman Payola," a disc jockey with the scruples of a Baghdad horse trader. When NBC voiced a mild protest about a few lines with an extra-large satirical bite and a few plugs Hope had tossed in, comedian Hope promptly gave the story to the press, charging "censorship."

WYNK Baton Rouge, La. and KOZE Lewiston, Ida., are ABC radio's newest affiliates. The network now has 357 station outlets.

NETWORK SALES ACTIVITY

CBS-TV

Secret Storm, Mon.-Fri., 4:15-4:30, alt. 15-min. segs.
Peter Paul (Dancer-Fitzgerald-Sample)

Daytime participations in 4 shows, alt. 15-min. segs.
S. C. Johnson & Son (Needham, Louis & Brorby)

On the Go, Mon.-Fri., 10:30-11 a.m., alt. 15-min. segs.
American Cyanamid Co. (Erwin Wasey, Ruthrauff & Ryan) and *Kayser-Roth Corp.* (Daniel & Charles)

NBC-TV

Six specials including 2 Sunday Showcase and half of both parts of "Sunday Showcase" Sacco-Vanzetti adaptation, 2 "Project 20" programs.
Purex Corp. Ltd. (Edward H. Weiss)

Pond's Presents Paris a la Mode, Feb. 29, 10-11 p.m., special fashion show.
Chesebrough-Pond's (J. Walter Thompson)

Advertising

FTC Cites Ted Bates: In one of its rare actions against advertising agencies, FTC has charged Ted Bates and its vp David Loomis with misrepresentation of Brown & Williamson's Life cigarettes in TV & radio commercials and other ads. Charging that Brown & Williamson, Ted Bates and Loomis violated the FTC Act in advertised claims for Life, FTC said in a formal complaint: (1) It isn't true that the cigarettes are "proved to give you the least tar or nicotine of all cigarettes." (2) It isn't true that the U.S. govt. endorses the cigarettes and finds them "lowest in tar, nicotine."

Bates' account executive Loomis was cited in the complaint because he "allegedly was responsible for or active in the dissemination of the challenged advertising," FTC said. Singled out by FTC as an example of allegedly false Life advertising was a TV commercial demonstrating Life's "Millecel super filter." Made a part of the complaint, the script has the announcer saying: "Watch the test. We drop equal amounts on the other filters & Life's Millecel super filter. Which is best . . . absorbs most? Look! The other filter fails . . . lets drops through. Life's filter absorbs them. Compare! See proof how Life gives least tar & nicotine."

This TV demonstration doesn't prove that Life filters absorb & retain all tars & nicotine in the smoke—or that more of them are absorbed by Life than by other cigarettes, FTC said. All 3 respondents were given 30 days from Dec. 12 to file answers to the charges.

* * *

"Hoaxes perpetrated" by some advertisers on U.S. consumers have been spotlighted by TV quiz scandals, according to the American Dental Assn.'s *Journal*. Until the quiz shows were exposed by the House Commerce legislative oversight subcommittee, ADA pleas for honest advertising for dental products "fell on deaf ears," the *Journal* said. But now FTC has been pressured into action (Vol. 15:47 p16) which has "punctured the hard hide of the advertising industry itself," the editorial added. ADA Pres. Dr. Paul H. Jessorich followed up by telling the Greater N.Y. Dental Meeting that FTC should be empowered to make advertisers prove their claims for dentifrices. The burden of proof of fraud now lies with FTC. Last week, ADA asked for more government control over "deceptive advertising practices on TV & in print by the toothpaste industry." Called for were: Legislation by Congress permitting federal agencies to eliminate misleading advertising; a code of fair practices to be set up with FTC or the Food & Drug Administration; scientific proof of toothpaste ad claims.

* * *

Govt. crackdowns on advertising in all media for margines, salad oils and other fatty foods which claim they help prevent heart disease have been started by the Food & Drug Administration & FTC. Such claims, alleging that the products reduce cholesterol content of the blood, are "false & misleading," according to the FDA, which said it will move to stop their use on labels and in point-of-sale advertising. Parallel FTC moves to eliminate the claims in TV, radio and print advertising were promised.

New reps: WNTA-TV Newark-New York to Forjoe Nov. 23 from Young. WXEX-TV Petersburg-Richmond, Va. to Young Jan. 1 for Chicago, Los Angeles & San Francisco, from McGavren-Quinn.

New Presentations: Two new station-rep presentations given previews last week (by Westinghouse Bestg.'s TVaR and Peters, Griffin, Woodward) were built on special marketing or audience characteristic data, rather than on indices of sheer audience size.

TVaR's newest continuing research project, "audience dimensions," was launched with a report on the age level of viewers watching a selection of different types of programs in various time periods on WBC stations. Future quarterly reports in the same series will be made on the viewing habits of such specific audience types as career women, pet owners and mothers of toddlers. A study of "viewer venturesomeness" is also scheduled. In-person sampling is being conducted in the 5 WBC TV markets by Pulse. Sample size is "at least 1,000 in each market," with the questionnaire being compiled by TVaR. Termed the "dessert" to the "meat & potatoes" of current TV research, the project "attempts to delve into untouched corners of audience characteristics," said gen. mgr. Larry H. Israel.

Tourist TV viewing habits and tourist-only TV set count in South Florida, analyzed by WTVJ Miami in a colorful film presentation, "Sun, Surf & Sales," were presented by Peters, Griffin, Woodward. ARB conducted the study, touching on "where viewers stay, where they come from, length of visit, mode of travel, specifics on airline tourism, tourist spending and general market characteristics." WTVJ noted that 66% of South Florida's estimated 5 million tourists per year watch TV during their stay. There are 66,500 TV sets available to tourists in South Florida, said PGW, in addition to the 462,100 sets owned by permanent residents.

* * *

Quick spot-TV cost estimates for use in up to 242 markets have been made available to agencies & advertisers by the Katz Agency in its latest *Spot TV Advertising Cost Summary* No. 26. Included are formulas for estimating spot-TV budgets along with market-by-market time-cost summaries. Katz also announced a new office to be opened in Minneapolis next Feb., David Abbey mgr.

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Agency for USSR wanted: The Soviet Embassy is looking for a U.S. advertising agency to help promote Russian trade with the U.S., commercial counsel Vladimir S. Alkhimov told the Washington Ad Club. In a luncheon speech Alkhimov said the trouble with American business is that it's "over-advertised"—that the Russians think there's no need to have so many people engaged in distribution here. But when a reporter suggested that hiring of an agency in the U.S. might help solve Soviet trade problems, Alkhimov said: "We're trying to do this."

U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WBBM-TV Chicago	\$4500 (no change)	\$900 to \$1000 ¹	Aug. 1
WDAF-TV Kansas City	1300 (no change)	300 to 350	Nov. 1
WHAS-TV Louisville	1000 (no change)	225 to 250	Nov. 15
WTVD Durham-Raleigh	650 to \$750	130 to 150	Dec. 15
WPSD-TV Paducah, Ky. ..	400 to 450	80 to 90 ²	Jan. 1
WECT Wilmington, N.C. ..	350 to 425 ³	70 to 85	Dec. 31
KCKT Great Bend, Kan.	300 to 350	60 to 75	Dec. 1
KCMC-TV Texarkana, Tex.	260 to 350	60 to 70	Dec. 1
WINK-TV Ft. Myers, Fla.	150 to 165	30 to 36	Nov. 1

Canadian Rate Increases

CJSS-TV Cornwall, Ont. ..	225 to 315	65 to 91	Nov. 1
CJLH-TV Lethbridge, Alta.	160 to 200	40 to 50	Jan. 1

¹ 20 Sec. only, also has 30 Sec. (7:01-10:16 p.m. Mon.-Sat., 6:29-10:16 p.m. Sun.) at \$1500 ² 20 Sec. only. ³ New Class AA (7:30-10 p.m. daily), Class A hour remains \$350.

In Other Media: Curtis Publishing Co. net income rose to \$2,179,821 (26¢ a share) on a gross operating revenue of \$149,995,618 for the first 9 months of 1959, compared with \$1,736,446 (12¢) on \$140,404,944 for the same year-ago period . . . Long-grounded *Brooklyn Eagle* may resume publication in Feb. under ownership of ex-staffer Robert W. Farrell, who has purchased the name & remaining assets of the defunct-since-1955 newspaper for a reported \$25,000. . . . Newspaper lineage gained 4.6% in Oct. over Oct. 1958, a Media Records survey of papers in 52 cities shows. Cumulative lineage for Jan.-Oct. increased 6.9% over the year-ago period . . . "Magazines for Asia" campaign to improve America's image is being pushed by ad executive Henry Mayers, pres. of L.A.-based Davis, Johnson, Anderson & Colombatto. The volunteer project sends used U.S. magazines to English-speaking Asians on a person-to-person basis. Mayers hopes for 1 million copies a month.

Ad People: William J. Jost, Alan B. Miller Jr., Thomas S. Quinland, elected Ted Bates vps . . . Robert C. Barker, ex-Kenyon & Eckhardt, named Compton Advertising vp . . . T. L. Stromberger, pres. of Los Angeles ad agency Stromberger, Lavene, McKenzie, will become senior vp when Fuller & Smith & Ross acquires SLM as its Los Angeles office Jan. 1 . . . Charles E. Grandey, principal author of FTC's guides to illegal advertising practices (Vol. 15:49 p13), awarded Commission's Distinguished Service Award and promoted to asst. gen. counsel.

Herbert Zeltner, Lennen & Newell vp & asst. media dir., promoted to media dir. . . . Frank J. Gromer Jr. named vp-media dir., N.Y. office of Foote, Cone & Belding . . . James R. Hill, Gordon G. Rothrock and Robert S. Spaeth named Leo Burnett vps.

"Successful Television and Radio Advertising," textbook by Gene F. Seehafer and Jack W. Laemmar (McGraw-Hill, 648 pp., \$9.75), is an updated & enlarged work which investigates broadcast advertising in the light of an industry which has mushroomed since the book's first edition in 1951. Needham, Louis & Brorby's Seehafer & J. Walter Thompson's Laemmar have prepared a basic text that covers the complete broadcast field, from the viewpoint of the advertiser, the station, the network, the agency. The book was reviewed & "pre-tested" by 196 industry experts.

"They Laughed When I Sat Down," by Frank Rowsome Jr. (McGraw-Hill, 181 pp., \$7.50), is a delightful word-picture history of advertising. Its objective, as Rowsome states it, "is to examine informally how a single segment of the industry, magazine advertising, grew in America in the years between the Civil War & World War II. No oxen are gored, no monuments erected."

Radio TV Training Assn. Inc., 52 E. 19th St., N.Y., must stop calling itself an association under an FTC consent order. The FTC had complained that the correspondence school misrepresented itself as an organization devoted to advancement of the science of TV & radio training. In fact, the FTC said, it was a firm organized for profit, operated to sell mail courses. Company officials Leonard Lane & Harry Kaplan didn't admit violation.

Federal advertising censorship is threatened by recent Internal Revenue Service & Federal Power Commission rulings that some ads can't be listed as business expense for income tax (Vol. 15:49 p13) and ratemaking purposes, according to Rep. Brooks (D.-La.).

Programming

CAMP DAVID SPURS SWAP: The climate in Moscow has suddenly become favorable for blossoming of U.S.-USSR TV-radio show-swapping ideas—ideas which scarcely got incubated during the first 2 years of a cultural exchange agreement between the 2 countries.

That's what we're told, at least, at the State Dept., which thinks prospects for broadcast trade were never brighter following renegotiation of the cultural pact in Moscow last month (Vol. 15:48 p9).

"There are great possibilities now for exchanges of broadcasts," said State's East-West contacts dir. Frederick T. Merrill. "This time things are really going to move."

The American-Soviet TV-radio ice began breaking during Vice President Nixon's Russian trip (Vol. 15:31 p3) and Premier Khrushchev's return visit to the U.S. (Vol. 15:35 et seq.), culminating in that famous week-end with President Eisenhower at Camp David—and more thawing is expected by the time the President goes to the Soviet Union next spring.

When the wary Russians signed the first 2-year cultural exchange agreement in Washington early in 1958 after much haggling, implementation of its vaguely-worded broadcast provisions was left to further task-force negotiations (Vol. 14:4 et seq.). These negotiations didn't produce much, although in Oct. 1958 a U.S. network delegation made a flying trip to Russia to explore possibilities of actual TV-radio swaps (Vol. 14:43 p10).

The atmosphere in Moscow last month was different, State's Merrill told us, and the Russians were eager for the first time to spell out precise terms of broadcast exchanges. "Now, when do we start?" one Soviet negotiator wanted to know as soon as the new 2-year pact was signed. "Can we get going by the first of the year?"

From the Washington end, Merrill's first step toward a start will be to get together with leaders of all American networks to see what can be offered the Russians in 3 specific areas of programming outlined in the exchange renewal. These proposals will then be submitted through the State Dept. to Moscow.

Unlike U.S. commercial broadcasters, the Russians will have no problems of program scheduling for any exchanges which are worked out. Russian viewers & listeners will see & hear what Soviet broadcasting officials decide they should see & hear—and when. And Moscow will want reciprocal assurances from the U.S. about times & audiences for Russian shows. These details could become sticky, Merrill conceded to us.

The renewal of the cultural agreement contains these TV-radio trade provisions: (1) At least one 30-min. TV documentary per month. (2) Two TV newsreel films per month, each running 5 to 7 mins. (3) Two 10-to-20-min. radio broadcasts per month.

In addition, the new pact provides for personal appearances of Soviet & U.S. govt. figures on TV & radio, equipment & studio facilities for swaps, exchanges of visits by technical specialists.

Form & content of TV will change "quite substantially" in the next year or two because of the current TV investigations, the Hollywood Ad Club was told by Selig Seligman, KABC-TV vp & gen. mgr. He predicted that aside from the obvious fact that it will be difficult to market a quiz show, Westerns will "find the going tough," and there will be many more public service, educational and documentary types of programming.

Nielsen Shows 60-Mins. Gaining: The latest (3rd) national Nielsen measurement of the season showed growth for all of ABC's 60-min. film shows, on which the network has taken a big plunge this season amidst harsh reviews & reports of sponsor dissatisfaction. Compared with the season-opener Nielsen (the 2nd Oct.), the gains in the 2 weeks ending Nov. 2 showed: *Bourbon St. Beat*, 15.2 to 17.1 AA; *The Alaskans*, 15.4 to 18.6; *Adventures in Paradise*, 12.6 to 15.4; *Hawaiian Eye*, 14.1 to 20.1; *The Untouchables*, 16.6 to 18.4.

In the race for prime-time audiences (7:30-10:30 p.m. 7 nights) ABC-TV scored a 20.0 AA & a 31.9 audience share. CBS-TV had a 22.3 AA & 35.9 share. NBC-TV got a 19.5 AA & 31.3 share.

At the top of the Nielsen list, viewers continued to confound critics who insist that nobody really wants Westerns or situation comedy. Westerns nabbed ranks 1 (*Gunsmoke*), 2, 3, 4 and 10. Situations took Nos. 7, 8, 9. Red Skelton and 77 *Sunset Strip* rounded out the Top 10.

Viewing Still Increasing: A new NBC-TV research study shows video viewing at record levels for the first half of this year and markedly greater than in 1958. Since the index year of 1955, the study reveals, total TV homes have jumped 40% despite an increase of only 8% in total U. S. homes. In the same period, total hours of home viewing per day have gained 46%. The greatest advance, however, was racked up by evening TV, which increased the number of homes reached by 57%. The study, based on Nielsen data for Jan.-June, also shows that for the first time since the index year, the increase in average homes reached by night-TV exceeds the increase in total hours of viewing.

Subject	1955	1956	1957	1958	1959
Total U.S. homes	100	103	104	106	108
Total TV homes	100	112	125	135	140
Total hours viewing all day.....	100	117	133	144	146
Avg. homes evening programs....	100	109	130	142	157

* * *

A. C. Nielsen spotted a blind ad in the *N.Y. Times* last week inviting members of permanent TV rating panels to contact "Box 0556." Tracked down, the advertiser proved to be *Life* magazine, which is planning an early-1960 story on rating services. Nielsen legal talent "persuaded" *Life* not to try to crack the secrecy curtain drawn around the identity of homes in the Nielsen sample. "Only 2 Nielsen homes were contacted by *Life*," Nielsen executives told us. "One refused to be interviewed. Steps have been taken to replace the other, since it no longer can be considered un-influenced by outsiders."

Scandal-haunted TV gets a word of advice from the American Civil Liberties Union in its 39th annual report issued this week. "It is to be devoutly wished," wished ACLU exec. dir. Patrick M. Malin, that TV's "housecleaning now in motion may extend to improving the industry's service to civil liberties through greatly amplified & varied presentation of serious public questions (in the 1960 campaign, for a start). This would help stave off govt. censorship of specific program content, while preserving govt. responsibility for general public-interest operation of what is in fact a public utility." The report also noted that ACLU in May reversed a 10-year-old policy by approving the principle of TV-radio editorializing.

Hands-off-programming policy was urged on TV-radio advertisers by Pres. Philip Cortney of ad-heavy Coty Inc. in his latest speech—to Philadelphia Rotary Club.

Film & Tape

How Not to Sell a Pilot: Hollywood producers have always favored sponsored anthology series because they helped take the risk out of pilot-making. Unsold pilots could always be used as episodes on going anthologies. But though a few series have been sold via such showcasings, on the whole the record is a dismal one, and today an increasing number of producers are convinced that while this may be economical, it's the wrong way to make pilots.

A striking illustration is Revue Productions, where 2 years ago 27 pilots were made & shown under the banner of the now-defunct *Schlitz Playhouse*. Not one sold. Revue sources are convinced this was because the pilots were made with the limitations & restrictions imposed by the requirements of that anthology series. As a result, Revue has changed its policy and today is turning out pilots without an eye to associating them with anthology series. Screen Gems and other companies have had similar experiences and most executives are now of the opinion that pilots have a better chance to sell when not made with the built-in restrictions of a particular anthology series.

Now Producers Want Post-1948 Pie: If the major movie companies cut any guilds in on their post-1948 pie—an unlikely move at best—the Screen Producers Guild wants its share too. SPG became a standee in the line for the gravy train when Guild Pres. Walter Mirisch wrote the Assn. of Motion Picture Producers, but AMPP, which thus far has turned a deaf ear to every guild bid on this issue (Vol. 15:48 p 13, 49 p16), isn't apt to change its stand. Actually Mirisch was merely putting the SPG on record, "just in case."

Major studio companies have flatly told the Writers Guild of America negotiators they will not now or ever give the Guild any share, no matter how small, of revenue for post-1948 movies on free or pay TV. The Guild so informed its members last week following the collapse of negotiations (Vol. 15:48 p13). The majors even refused to give WGA a re-opening clause to permit discussion of terms for pay TV when & if movies are made for that medium, said WGA. Terming the majors' position a "N-anderthal approach" to bargaining, the Guild said the majors offered only \$25 a week increase on minimums, as compared to a \$125 increase granted to writers by the independent producers. While it has membership authorization to strike the majors, the Guild did not say when such a strike would take place—only that it would—and at a time "advantageous" to WGA.

NT&T board meeting Dec. 22 will discuss & probably decide whether to make a firm offer for controlling stock of Desilu Productions. Interested in acquisition of the TV film company (Vol. 15:45 p16 et seq.), NT&T has completed its study of Desilu's assets. (The Desilu situation was to have been discussed at an NT&T board session Dec. 10, which was postponed.) While Desilu expects to wind up its 1960 fiscal year April 30 with a bigger gross than the preceding year (\$22 or \$23 million vs. \$20.4 million) and far greater earnings than the \$249,566 (22¢ a share) reported for fiscal 1959, the 2nd half of its current fiscal year will see lower earnings than the first half. First-half net totaled \$507,108 (44¢ a share). Secy.-treas. Edwin E. Holly says Desilu's production will fall off sharply in the 4th quarter as contracts for series run out.

NEW YORK ROUNDUP

Dynamic Films Inc. TV film unit will produce for syndication a 2nd series of sports films for TV and a 5-min. weekday series on teen-agers. Both essentially a commercial & industrial film producer, Dynamic is the latest firm in its field to enter program production. Others: Filmways (21 Beacon St.); Van Praag Productions and Screen Gems-owned E-U-E (planning N.Y.-produced tape shows); Transfilm (planning a cartoon series).

Ziv TV has sold off alternate weeks locally of *Tombstone Territory* in 14 of the markets where Stroh Brewery has contracted for every-other-week telecasts of the ex-ABC-TV Western. Ziv was also successful this season in selling to American Tobacco Co. alternate weeks locally of *Lockup* and *This Man Dawson* in 59 markets.

Filmways officially opened its 35,000-sq.-ft. new studio plant in N.Y. with a preview party for agency commercial producers & press. Hostesses were silent film stars Lillian & Dorothy Gish, for whom the \$1-million studios are now named. Filmways has 2 other smaller studios (one tape-equipped) in N.Y. Also in a new-studio move in N.Y. is TV Graphics Inc., which has renovated a Shubert costume warehouse on Manhattan's W. 61st St. as a telefilm commercial center and expects to set up shop this week.

Fremantle International has acquired Latin American distribution rights to *Steve Canyon*, ex-NBC-TV series produced by Pegasus Productions.

ITC's *Four Just Men* has been sold in syndication to 145 stations to date, one third of which will have automobile, auto dealer, gasoline-oil or other allied automotive product sponsors backing the series. In Mexico, Fabrica Automex, div. of Chrysler Corp., has bought the series for Spanish-language telecasting in 9 markets.

Sol Feuerman has been named pres. of Medical Dynamics, a N.Y. div. of Dynamic Films . . . Jack Benny has been named recipient of the 1960 humanitarian award of the National Foundation for Infantile Paralysis.

Motion pictures with odors that match scenes debuted in N.Y. Dec. 8 with TV commentator Chet Huntley introducing the AromaRama system. A color travelogue of China, "Behind the Great Wall," was the vehicle for AromaRama, which kept pace with the action by pumping into the theater via the air-conditioning systems odors duplicating those in a Hong Kong restaurant, a barnyard, etc. Huntley demonstrated the system by slicing an orange in the film, triggering a mouth-watering aroma throughout the theater. The film has an odor track which activates the odor-conditioning mechanism.

WRCA-TV's *Movie 4* presentation of an early Brigitte Bardot movie, "Please Mr. Balzac," Dec. 12 was exclusively sponsored by one advertiser—Coty perfumes. WRCA-TV bought the film some time ago from Flamingo Films, which in turn bought it from original theatrical distributor, DCA. Previous full sponsorship of a feature film in N.Y. has been by Schaeffer Brewing Co. in its periodic *Schaeffer Award Theatre*, on WCBSTV.

Venice Film Festival diploma for excellence in the international TV film category has been presented to U.S. producers Peter Glushank, Nathan Kroll and Martha Graham for "Appalachian Spring."

HOLLYWOOD ROUNDUP

Producer Jack Chertok is preparing the pilot of a comedy-drama series, *Little Mother*, to be filmed at Revue.

Henry Jaffe Enterprises is producing a pilot, *Doo-winkle, D.A.* starring Eddie Bracken. The pilot is being filmed at Metro . . . VTR Mobile Productions has opened sales & production offices in Hollywood, with Joseph A. Thompson in charge of sales, and John M. Stratton in charge of production for the mobile video-tape production-rental company owned by John Guedel & Art Linkletter. Bill Kayden is pres. of the firm . . . Frank Latourette, ex-*The Lineup* producer, has joined Hollis Productions, videotape branch of Paramount Television, and will produce the *Emergency Ward* series . . . Cal. Studios Pres. Philip N. Krasne has closed his London office and ended his British production activities "for an indefinite period."

Revue Productions places the pilot of the tentatively titled *Confidentially Yours* into production Dec. 18. Richard Irving will produce & Dan Duryea plays the part of a newspaper columnist specializing in human interest stories. . . . Revue has shelved *This Gun for Hire* after being unable to agree on terms with Jeff Chandler for starring in the private eye series.

Four Star Productions has begun its Brian Keith Western series for NBC, tentatively called *Cowhand* . . . Four Star is piloting *The Tom Ewell Show*, with writers Madelyn Pugh, Martin & Bob Carroll co-producing.

Producer Jack Chertok told us his recently-completed pilot of a new Western, *Brady*, is a "non-violent" show, with the hero using psychology, not guns . . . Producer Herbert B. Leonard will produce a 60-min. pilot of *Route 66*, in conjunction with Screen Gems.

California Studios Pres. Phil Krasne and producer-writer Donald Hyde have parted company. Hyde is forming his own production company in England . . . Bob Angus has resigned as vp in charge of production at California studios . . . Arthur Freed has been named producer of the Oscar Awards show next April on NBC.

Producer De Von Starfield has finished the pilot of *The Captain's Lady*, starring Rose Marie . . . Producer Albert J. Cohen plans a pilot of *On Fifth Ave.* at Goldwyn.

Screen Gems has moved its syndication production and sales division to Columbia's Sunset studios . . . Red Skelton, who filmed a half-dozen of his CBS half-hour shows at Desilu Productions this season, won't film any more. Henceforth he'll tape, with his own company as producer.

Four Star Television has signed Robert Soderberg, ex-Benton & Bowles, as a staff producer, and Cy Gomberg as producer-writer of a pilot, *The Law & Mr. Jones*, starring James Whitmore. This is a new version of Whitmore's pilot, *Lincoln Jones* (made last year for ABC-TV and Bing Crosby Productions) which didn't sell.

Goodson-Todman Productions is planning 2 more pilots, *Las Vegas Beat* & *The Yank*, to be made by producers Andrew J. Fenady, Irwin Kershner and Bernard Kowalski . . . Frank Sinatra has signed Bill Colleran to produce & direct his remaining ABC-TV specials this season.

CBS-TV has signed ex-Four Star Productions vp Frank Baur as dir. of film production operations.

Merger of Screen Directors Guild of America and Radio & Television Directors Guild into a single group to be known as Directors Guild of America has been voted overwhelmingly by members of both organizations. SDG Pres. Frank Capra will be president of the merged organization, while RTDG Pres. Michael J. Kane will be national vp. DGA will represent 2,068 directors, asst. directors, associate directors, stage mgrs., program assistants. Its members have director contracts with the 3 TV networks & 361 film producing companies. National HQ will be in Hollywood, with SDG's Joe Youngerman as acting national exec. secy. Meanwhile the SAG-AFTRA merger is awaiting a report scheduled for release early in Jan. by labor arbitrator David L. Cole. He is now making "an impartial study" of a possible marriage of the talent unions.

Screen Producers Guild of Hollywood, which represents some TV-film as well as movie producers, has come out for a clearinghouse for movies & TV, to eliminate the many instances of title conflicts. It's a proposal first suggested here (Vol. 15:13 p18, 20 p15). In a related field, a protest has been filed by writer William Bradford Huie against NBC-TV's plan to televise a drama based on the life of World War II hero Ira Hayes, on March 27. Huie claims this infringes on his book about the late Hayes and conflicts with Universal-International's planned movie based on Huie's *The Hero of Iwo Jima*.

Screen Actors Guild has warned TV film commercial producers it will crack down on some alleged violators of the SAG pact. Guild asst. exec. secy. Kenneth Thompson notified signatories that the Guild has received member complaints regarding violations of interview provisions.

Minn. Mining & Mfg. exec. Russell F. Roth predicted last week "that it will be only a matter of months before every optical effect possible on film, can be handled by video tape." Agencies, advertisers and TV production companies "are only now beginning to understand that video tape is a third medium for TV, supplementing live & film," said Roth, who is the author of 3M's *The Changing Picture in Videotape* for 1959-60, 2nd edition.

More economies in tape production by next summer were promised by Bob Day, mgr. of sales development for Ampex Professional Products Co. at a meeting of the Los Angeles chapter of the Academy of TV Arts & Sciences. He said the savings would come through new accessories, adaptations and techniques in the recorder. "We are convinced this is only the beginning. With developments now in sight, flexibility & versatility of tape will be broadened at the same time costs are lowered," he declared, adding that it has taken TV tape recording 2 years to accomplish what film took 50 years to do. When he predicted that within 5 years the production of film for TV will have been relegated to a "fringe operation," there was some audible scoffing in the audience, which included many film execs.

Atlantic TV, distributor of feature films & some rerun telefilm properties, has been sold, along with its corporate parent, Astor Pictures, by the estate of Sovert Savini to N.Y. financier (exec. vp & dir. of City Stores Corp.) Franklin F. Bruder. An expansion of Atlantic's sales activities is planned, including the acquisition of new product. Astor will continue in the theatrical distribution field. Fred Bellin continues as pres. of Atlantic which has new sales & executive offices at 730 Fifth Ave., N.Y. New directors of Astor, in addition to Bruder & Bellin, include N.Y. attorney George F. Foley, Atlantic vp Anthony Tarrell, management consultant Alfred H. Morton, and Everett N. Crosby (Bing's brother).

Television Digest

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WALTER H. ANNENBERG, President

PUBLICATION OFFICE Box 700, Rodnor, Pa. MUroy 8-3940
JAMES T. QUIRK, Business Manager MERRILL PANITT, Editorial Director
JAMES B. DELEHANTY, Asst. Business Mgr. HAROLD B. CLEMENKO, Managing Editor
DAVID LACHENBRUCH, Associate Editor
HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyatt Building
Washington 5, D.C.
Sterling 3-1755

ALBERT WARREN, Chief
WILBUR H. BALDINGER
WM. J. McMAHON Jr.

MARTIN CODEL
Associate Publisher

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625 Madison Ave.
New York 22, N.Y.
Plazo 2-0195

CHARLES SINCLAIR

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Hollywood 5-5210

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Personals: Clark George, CBS-TV Stations div. vp & gen. mgr. of KNXT Los Angeles, named vp-gen. mgr., WBBM-TV Chicago, succeeding H. Leslie Atlans, who is retiring; Robert D. Wood, gen. sales mgr. of KNXT & CBS-TV Pacific network, succeeds George as KNXT vp-gen. mgr.

Harold Day, ABC-TV daytime network sales dir., elected a vp . . . Norman Racusin, ex-NBC-TV business affairs dir., named RCA Victor Record div. operations mgr. . . . Dr. Herbert Kalmus retires as Technicolor pres., continues as consultant; succeeded by exec. vp. John Clark Jr.

Charles W. Goit, ex-Ziv, named national sales dir., ITC . . . Charles Hampton named public service coordinator, WTVT Tampa, Fla. . . . Wally Erickson, KFRE-TV & KFRE Fresno, Cal., elected pres., National Assn. of TV & Radio Farm Dirs., succeeding Maynard Speece, radio WCCO Minneapolis; George Roesner, KPRC-TV & KPRC Houston, named vp; Carl Meyerdirck, KVOO-TV & KVOO Tulsa, Okla., secy.-treas.

Horace Fitzpatrick promoted from station mgr. to vp for TV operations, WLSL-TV & WLSL Roanoke, Va. . . . Robert E. Powell named sales vp, KNOE-TV Monroe, La. . . . Ex-Gov. James E. Noe, owner of KNOE-TV & KNOE Monroe, La., & radio WNOE New Orleans, was defeated in the La. gubernatorial primaries (Vol. 15:38 p 16).

Alan May named NT&T financial vp . . . Hamilton Shea, pres.-gen. mgr., WSVA-TV & WSVA Harrisonburg, Va., named pres. of Harrisonburg-Rockingham County Chamber of Commerce . . . William R. Wilson named technical advisor to Canada's BBG.

Obituary

Walter Compton, 47, former MBS Washington correspondent and 1948-1953 gen. mgr. of Du Mont's (now Metropolitan's) WTTG Washington, died of uremia Dec. 9 in Georgetown U. Hospital there after several years' illness. On leaving WTTG, he set up his own TV management consultant firm and had been an investor in & officer of North Dade Video Inc., an applicant for Miami Ch. 10. Surviving are his widow, one son, 2 daughters.

Burl C. Hagadone, 49, Coeur d'Alene, Ida. publisher & former broadcaster, died Dec. 8. He was co-owner of the *Coeur d'Alene Press*, once owned radio KVNI Coeur d'Alene, KJRL Pocatello & KNEW Spokane.

Bartley C. Crum, 59, attorney and former pres. of radio KYA San Francisco & radio KLAC Los Angeles, died Dec. 9 of a heart attack in N.Y.

Trade Report

DECEMBER 14, 1959

BUSINESS CONSENSUS FOR '60—STRONG UPTREND: Substantial improvement in economic climate is predicted in all expert forecasts for next year—as we reported last week (Vol. 15:49).

Rise in consumer spending is keynote of most of the general business prognostications crossing our desk this year. Although the usual annual flood of electronics industry predictions won't begin for week or so, we think the general forecasts are worth scanning as an aid to business planning for the year ahead and as an indicator of what 1960 has in store for consumer electronics. Accordingly, we've digested (on p. 18) the most interesting & significant of the predictions.

First 1960 forecasts by electronics industry figures are also summarized on p. 18. Results of our own annual survey of industry leaders will be featured in these pages during the next 2 weeks.

1960's NEW TV STAR—THE 19-in. TUBE: The word is in from tube & set makers: Look for the new 19-in. square-cornered tube to be a hit in 1960.

The new-shape bulbs were sampled to industry last week by the "Big 2" TV glass firms—Corning & Kimble—and all the way down the line there's feeling of immense satisfaction with the tube. Some manufacturers are hoping to have first 19-in. sets in distributors' hands during first-quarter 1960.

The 19-in. has been greeted with none of the resentment which marred debut of its big brother, the 23-in. square-corner tube (Vol. 15:16 p18). Unlike the 23, new tube is being introduced in plenty of time for calm appraisal, planning & tooling of new models (although some enthusiastic manufacturers already have finalized set design on basis of tube's blueprints alone).

Other reasons for manufacturer enthusiasm: Price—it will be less than \$1 higher than 17-in. tube. Flexibility—it will be available in a form which can use external safety glass or either of the 2 varieties of laminated faceplate (Corning & Pittsburgh). Circuitry—although it has 114-degree deflection, it can be driven by existing 110-degree circuits. Producibility—tube makers' experience with 23-in. tube should pave way for easy production of 19s. Acceptance—retail success of 23-in. tube (see story p. 16) indicates there's ready market for "square look."

Where will 19-in. tube fit in TV lines? There are plenty of different ideas on this. One tube maker predicted to us that, during last 3 quarters of 1960, the new size will comprise 30% to 40% of all set sales. Others set their sights lower, but consensus was that 19-in. not only will replace many 17-in. sets but also cut into low-end 21-in. table-model sales.

Though 19-in. tube is couple of pounds heavier than 17-in., it's still considered light enough for portables—and an almost complete replacement for 17-in. table models & "totables."

Some vital statistics on 19-in. vs. other current picture-tube sizes: It's about an inch longer than 17-in. tubes (13-9/16 in. vs. 12-9/16 in. standard neck length), but, like other tubes, can be produced in so-called short-short and short-short-short sizes. Its screen area is 174 sq. in. vs. 155 sq. in. for 17-in., 262 for 21-in., 282 for 23-in.

First versions of tube have no built-on safety glass, but Corning expects to have a "cap" for the tube in a few weeks, and eventually to produce a lighter-weight version of tube to take advantage of added strength given by safety-glass cap. Pittsburgh Plate Glass is also in there pitching with its own laminated plate-glass cap for the 19-in., is understood to be winning some converts.

TV-RADIO PRODUCTION: EIA statistics for week ended Dec. 4 (48th week of 1959):

	Nov. 27-Dec. 4	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	122,772	121,595	103,539	5,876,741	4,588,549
Total radio	288,755	287,006	358,987	14,355,160	10,623,753
auto radio	62,455	60,612	140,662	5,035,623	3,268,348

NEW SETS—23-in. TV, 'MULTI-CHANNEL' STEREO: Now a recognized market success, the 23-in. tube is showing up prominently in most midwinter TV lines & drop-ins being shown to distributors this month & next. In new stereo lines, 2 of the biggest manufacturers simultaneously dubbed their units "multi-channel" last week—thereby answering (or ducking) the 2-channel-vs.-3-channel feud.

The new 23-in. sets were brought out last week by RCA, Zenith & Motorola—the latter 2 showing the "new shape" for the first time. Units shown to distributors were generally high-middle & high-end of line.

Showing completely new line of 39 TV models (list \$149.95 to \$575), Zenith included six 23-in. sets—all consoles, 3 in the \$320-\$380 range, 3 remote-control sets at \$420-\$500. Zenith's 23-in. sets use 110-degree tube with bonded-on implosion plate. Also new in Zenith line is TV-stereo phono unit with 21-in. tube at \$525.

Motorola is showing distributors 23-in. sets in the \$400-&-up bracket in both the high end of the standard Motorola "fine furniture" line and in the Drexel-cabinet line. Motorola's 23-in. sets are understood to use new 90-degree tube with bonded implosion plate.

Apparently pleased with distributor & dealer reaction to two 23-in. sets introduced in Sept. and now at retail level, RCA last week brought out 5 more 23-in. models in somewhat lower price bracket. (RCA has no suggested list prices, but it's understood the earlier 23-in. units are selling at about \$330-\$340). Four of its new 23-in. sets are lowboys, one console, in modern & colonial styling. RCA TV drop-ins total 9 units, including two 21-in. consolettes & two 21-in. table models, beginning at about \$199.95.

Joining 23-in. parade next month, as previously reported, will be GE—first manufacturer to use 23-in. set without bonded-on implosion plate.

Emerson will introduce its all-transistor battery portable TV (Vol. 15:13 p19) next month, Pres. Benjamin Abrams tells us. It's likely to be first direct-view battery portable on market, will sell at price competitive with Philco's reflex Safari portable (\$250 plus batteries). Screen size not yet revealed. Emerson plans no 23-in. sets until June.



"Multi-channel" may be key phrase for new stereo lines—at least both Zenith & RCA pounced on it last week while Motorola went happily on its way showing distributors new models in line of 3-channel sets.

Zenith showed console stereo line of 11 units—continuing to offer its "Extended" system of single-cabinet sets and putting somewhat more stress on availability of its small "Radial" remote speakers at \$29.95 to \$50 a pair. New in Zenith line is drop-in AM-FM tuner to convert 3 of the stereo phonos to radio combinations. Six other models in line have AM-FM already built in.

RCA's stereo line is almost completely new, with 13 console, consolette & portable units. Company calls its concept "wall-to-wall stereo," and its definition of multi-channel can be determined from this statement by consumer products exec. vp P. J. Casella: "Each of the 8 console models will give the customer the option of obtaining stereo reproduction in 3 different ways—single-cabinet stereo, wide-separation 2-channel stereo through the use of either one optional auxiliary speaker unit, or multi-channel stereo through the 2 optional 'Total Sound' speakers."

Auxiliary speaker systems contain high- & mid-range speakers and begin with small book-sized units (6x8x3¼ in.) at \$25 a pair, with others at \$45 & \$60 a pair.

Prison sentence of 60 days has been handed out to N.Y. office mgr. Edwin J. Sorkin of Minthorne International Co. Inc. for sending a \$440 strategic electronic tube to West Germany without govt. approval. The firm was fined \$5,000 by N.Y. federal court Judge Edward J. Dimock, who found both guilty of violating export controls. The Commerce Dept.'s Bureau of Foreign Commerce accused them of shipping the tube to Frankfurt customer Germar Weiss although they had been warned that Weiss was "an undesirable trade connection." The BFC said Weiss transhipped goods to Soviet bloc destinations.

Arvin will introduce new line of U.S.-made transistor radios with list prices from \$30 to \$100.

Picture & receiving tube sales continued to rise, with Oct. 1959 showing increases over the preceding month and Oct. 1958, and Jan.-Oct. sales were ahead of the comparable 1958 period, EIA reported last week. The Oct. and Jan.-Oct. factory sales with comparison figures:

	Picture Tubes		Receiving Tubes	
	units	value	units	value
Sept. 1959	913,697	\$18,066,647	41,989,000	\$34,810,000
Oct. 1959	1,007,211	19,306,788	42,680,000	35,527,000
Oct. 1958	969,501	19,598,379	41,540,000	34,362,000
Jan.-Oct. '59	7,864,893	151,772,066	358,477,000	304,871,000
Jan.-Oct. '58	6,814,166	135,830,713	333,258,000	286,952,000

Daystrom has opened its first overseas production plant in Gloucester, England, to manufacture Heathkit test equipment, hi-fi & stereo components, amateur radio transmitters,

LOOKING AT TV BUYERS: Some 63% of TV set owners say they'll stick to the brand they now own when they buy another set—and, conversely, 37% are willing to be switched to a new brand (including 14% who say they'll purchase a different brand next time and 23% who don't know whether they'll change). This is one of the findings in *Look* magazine's first national appliance survey of 4,808 representative households.

As reviewed in *NARDA News* (survey details won't be available for about a month), *Look's* poll—made several months ago—showed these other TV findings:

Buying plans—These figures may be somewhat dated, but 3% of the households surveyed indicated they definitely will purchase a b&w TV within the next 12 months, and another 5% "probably" will buy one. This projects to about 4 million. Another 1% said they'll buy a color set and 1% "probably" will buy color—for 800,000 homes.

Factors influencing purchase—Reliability was considered the most important factor in buying a TV set by 40% of TV buyers, price by 26%, "authorized dealer" by 15%. Some 41% of set owners bought their TVs at appliance stores, 24% at radio-TV stores, 14% at dept. stores, 9% at discount houses, 4% at furniture stores, 4% by mail order, 4% elsewhere.

Servicing—Although TV sets require far more servicing than other electrical household items (46% of respondents had their sets serviced in the preceding 12 months as against 26% for dishwashers, the next most-serviced appliance), 87% of the TV owners were satisfied with servicing in the preceding 12 months. Of the dissatisfied 12% (1% didn't know if they were satisfied or not), 7% blamed the service technician, 3% the manufacturer, 1% both and 1% didn't know who was to blame. Of all electrical household items, TV came out best in service satisfaction. Others: Electric range & automatic washer, 86%; refrigerator, 85%; wringer washer, 83%; gas range, 74%.

TV drew top honors in service prices, too. Of those paying for service in the preceding 12 months, 79% thought TV service prices were reasonable, as opposed to 74% for wringer washer service, 63% for electric ranges, 60% for automatic washers, 51% refrigerators, 41% gas ranges.

The survey also showed that 74% of TV owners are still using the first set they ever purchased.

Motorola Buys LearCal: Motorola continues its diversification within the electronics business by announcing its 2nd acquisition within a year—the purchase of the executive & personal aircraft electronics business of Lear Inc. Last Aug. it bought hearing-aid manufacturer Dahlberg Co. (Vol. 15:33 p18).

Motorola will acquire the business & assets of Lear's LearCal div., Santa Monica, Cal., for an undisclosed number of shares of Motorola common stock. LearCal makes commercial airborne communication & navigation equipment and light aircraft autopilots, and will gross about \$8 million this year, or 9% of Lear's estimated 1959 sales volume. A sidelight to the transaction is that Lear Chmn. Dr. William P. Lear was "an early friend & first chief engineer" of the late Paul Galvin, Motorola founder.

LearCal will become Motorola Aviation Electronics Inc., a subsidiary, under present mgr. Kenneth M. Miller. It will be moved to a new plant in the Santa Monica area. Motorola communications div. vp-gen. mgr. Arthur L. Reese said Motorola had studied the market and concluded that "entry through this means is superior to any other."

EIA Actions: Now that almost all TV manufacturers are using the 23-in. square-corner tube (see p. 16), EIA's forthcoming fall TV promotion drive "will stress technical improvements in today's TV receivers, including wider screens," EIA announced last week. The drive again will be coordinated with network activities and will call attention to upcoming TV programming (Vol. 15:49 p17).

In other actions at its winter conference in Los Angeles, the EIA board approved these recommendations for legislation: (1) Indemnification of govt. contractors, on military & civil programs, from undue hazards which cannot be completely covered by commercial insurance firms. (2) Modernization of military procurement procedure, including major provisions of the Saltonstall bill. (3) Reform of radio spectrum administration & allocation procedures by establishment of a national frequency board as provided in the Harris bill. (4) Revision of patent provisions of the National Aeronautics & Space Administration to conform with defense procurement policies. (5) Liberalization of tax & other provisions for American investments abroad as proposed in the Boggs bill.

In the import field, in addition to the actions reported last week, EIA's tube & semiconductor exec. committee headed by W. J. Peltz, Philco, recommended an inquiry to determine why the FTC doesn't require the marking of electronic equipment which contains foreign components.

The educational coordinating committee, headed by Ben Edelman, Western Electric, named 2 new subcommittee chairmen: Luke H. Noggle, Westinghouse, task force on technical manpower requirements; Robert L. Caselberry, GE, to succeed Paul Chamberlain as chairman of the task force on school equipment.

Ray B. Cox, Hoffman Electronics consumer products vp-gen. mgr., was elected to the exec. committee of EIA's consumer products div., replacing H. Leslie Hoffman—not to the EIA board as stated last week. Pres. Hoffman continues to represent Hoffman Electronics on the board.

"The next decade will be the great age of Home Entertainment, based on technical innovations in the television industry," says Dec. 14 *Newsweek* in its special issue on "The 60's." Among its predictions: Picture-on-wall TV, home TV-tape recorders, international live TV via space satellites (Vol. 15:49 p11), inexpensive color sets. Much more fascinating is the suggestion that man's first major contacts with intelligent beings in other solar systems may be by TV. Discussing "Project Ozma," whose purpose is to listen for intelligible radio patterns from other planets (solar systems around the stars Tau Ceti & Epsilon Eridiani will be the first targets), *Newsweek* says: "What if contact is actually made? Earth's first answering transmission of a basic signal would take 15 years at the minimum to bridge the interstellar distances. Two-way communication in words seems impossible . . . Jeffery Keller of the National Science Foundation has suggested that the 'Others' might transmit a TV picture which the 'Terrestrials' could then put back together with present-day receivers. What image would emerge on the screen? . . . The mind boggles at what new image of man himself would emerge when he gazes into his TV and realizes he is no longer unique & alone in the universe."

More than 60,000 engineers & scientists from 40 countries are expected to attend the IRE International Convention (title changed this year from "National Convention") March 21-24 at N.Y. Coliseum. Highlight of the program will be a symposium on "Electronics—Out of this World."

Experts Appraise the Outlook for 1960

Forecasts of Prospects for Next Year's Economy—
Digests of Authoritative Opinion

Dun & Bradstreet: Poll of business executives showed 65% thought their first-quarter 1960 sales would be higher than the comparable 1959 period—a less optimistic view than in 4 previous surveys. Some 30% in the current survey expected no change from last year and 5% predicted declines. Slightly more than half expected profit gains in the first quarter, with durable goods manufacturers the most optimistic.

Kirby, Block & Co.: This buying organization's survey of retailers accounting for an aggregate business of \$3 billion a year (mostly dept. stores and women's & children's wear) showed that 89% of the 642 merchants polled see Jan.-April sales topping 1959's record business in that period, the consensus being that the increase will be about 6.5%. Seven percent expect no change and only 4% see a decline.

Life Insurance Assn. of America: Economic research dir. James J. O'Leary predicted that the Gross National Product would climb from the \$480 billion estimated in 1959 to \$525 billion in 1960. "The 1960s promise to bring a step-up in the rate of family formation, with expansion for housing, educational facilities & durable consumer goods," he said.

Nation's Business: Survey of more than 300 business leaders in the Dec. issue of the U.S. Chamber of Commerce's magazine reveals that 82% believe their companies' sales will rise, and 63% were willing to go on record as predicting that 1961 will be even better than 1960. Some 65% foresee no big change in prices, 31% predicting price rises. Half of those surveyed said they'll hire more people next year; 58% see about the same profit per sales dollar as in 1959 (28% expect a rise); 43% plan to spend more for expansion; 68% see a rise in total labor costs; 84% say "tight money" won't affect their plans; 48% plan to spend more in research.

Newsweek: Big Dec. 14 "Forecast" issue reports that *Newsweek's* latest Survey of Consumer Buying Plans (Sept. & Oct.) indicates that confidence in the economy is high. For the first quarter of 1960, however, the survey showed consumer plans to buy TV sets down 6% from the similar survey last year, contrasted with an increase in plans to buy new cars (up 8%), used cars (16%), air conditioners (31%). *Newsweek* also predicts 1960 consumer income will be up 5% to all-time high of \$400 billion.

Prudential Insurance Co.: Staff economists under Dr. Gordon W. McKinley, who boast that their forecasts have never been off more than 1.5% since they began publishing them 8 years ago, see next year's Gross National Product totaling \$509 billion. Their other predictions: Consumer spending will total \$330 billion—up \$18 million from this year—most of the increase being in durable goods. The other big factor in 1960 prosperity will be plant expenditures of \$50 billion. Unemployment will drop to less than 4% of the working force.

United Business Service: Total income, spending, industrial output & employment will rise to new all-time highs, despite moderate declines in homebuilding & farm income. Gross National Product will rise to \$510 billion, with consumer spending leading the way. Total production will be 5%-6% greater than 1959, with durables up about 8%. Retail sales should reach a record \$230 billion

(up from \$215 billion this year). Average wholesale prices should rise about 2% during the year. Interest rates will climb higher, although less sharply than during 1959. Outstanding consumer credit is likely to jump \$4-\$5 billion.

U.S. govt. economists: Report on Commerce Dept. & SEC survey of manufacturers indicates that industry plans to increase capital outlays for plant & equipment to an annual rate of more than \$13.8 billion in the first quarter, a 15% climb over the \$12 billion expected for all of 1959. Durable goods makers foresee expenditures up 21%.

Standard & Poor's Corp.: This investment service predicts that Gross National Product will exceed \$500 billion, with personal income up 4.2% to \$395 billion, disposable income rising 4% to \$347 billion, personal savings increasing 2.1% to \$24 billion.

ELECTRONICS IN 1960: Three electronics industry leaders looked back at 1959 and ahead through 1960 last week, summing up the outlook of the industry and/or their own companies. Digests of statements:

Minneapolis-Honeywell Regulator Co.: Pres. Paul B. Wishart told a business outlook conference in St. Paul that the electronics industry's sales should increase twice as much as total U.S. industry sales as a whole next year. He put 1959's electronics sales at \$10.1 billion, or 21% above last year's, and forecast another 9% rise next year to \$11 billion. In tabular form, his 1959 estimates and 1960 forecasts together with EIA figures for 1958 (in millions of dollars):

	1958	1959	1960
Consumer products	\$1,600	\$2,200	\$2,300
Industrial products	1,380	1,700	2,000
Military products	4,100	5,000	5,500
Tubes & parts	860	1,200	1,200
Total	\$7,940	\$10,100	\$11,000

RCA Consumer Products: Exec. vp P. J. Casella, at distributor meeting in Chicago, said RCA color sales currently are running nearly 30% ahead of last year "on a week-to-week basis" and that next year's sales "might well run 50% ahead of 1959." As to radio, "RCA will sell more sets in 1959 than in any other year in its 40-year history." The Japanese, he said, haven't hurt the U.S. radio industry as much as anticipated, because domestic industry has responded to the challenge with innovations. Despite "some slight confusion," he added, "stereo is just scratching the surface of its tremendous potential." RCA's new tape cartridge player-recorders have been selling "beyond our expectations" in the 2 models available, and a 3rd—and completely automatic—model will be marketed soon. The cartridge system should "have a great future in the 1960s," said Casella.

General Electric: Chmn. Ralph J. Cordiner told a N.Y. news conference that 1960 will be a "growth year" for the U.S. economy & the electrical industry. Although GE's defense sales may drop, gains in consumer & industrial goods should more than offset the loss. GE is "in a strong position to benefit from the stepped-up business investment in capital goods." He saw appliance prices remaining about the same as this year, due to stiff competition.

Zenith is building a \$1,250,000 addition to its Kostner Ave. (Chicago) production plant. Chmn. Hugh Robertson says the 115,000-sq.-ft. enlargement is scheduled for completion in June, will increase total floor space at the Kostner plant to 577,000-sq.-ft. The added facilities will be used principally for stepped-up assembly operations for transistor radios and for expanded components production.

Trade Personals: Ross D. Siragusa Jr., former Admiral TV sales mgr., elected to new position of electronics div. vp; Harris Hesketh, former exec. asst. to Admiral sales vp, elected vp of Admiral's branch distributing div., also a new post . . . Philip J. Koen, former management consultant, appointed to new post of Hoffman planning dir. . . John R. Barney named to new post of staff cabinet engineering consultant, Motorola consumer products div. . . Edward L. Slater named to new post of asst. dir. of advertising, Sylvania; Robert J. Stahl, to new post of commercial planning mgr., Sylvania's Mountain View (Cal.) operations.

Anthony G. Schifino, chairman of EIA's amplifier & sound equipment section, resigns as vp-gen. mgr. of Stromberg-Carlson's special products div. (hi fi, auto radios, etc.) to become exec. vp of Rochester Radio Supply Co., electronic equipment wholesale firm headed by his brother Mauro E. Schifino. He will continue to serve Stromberg-Carlson as sound equipment consultant. Schifino is succeeded as special products vp-gen. mgr. by Arthur J. Hatch. Other Stromberg-Carlson executive changes: Kenneth M. Lord named vp-gen. mgr., electronics div., succeeding George A. Peck, resigned; Dr. Nisson A. Finkelstein, ex-Bausch & Lomb, appointed asst. vp & research dir., succeeding Lynn C. Holmes, who becomes engineering operation dir.

E. P. (Ted) Atcherley appointed Pacific region distributor sales mgr., Sylvania Electronic Tubes, succeeding William G. (Pat) Patterson, retiring . . . William E. Circe appointed plant personnel mgr. of RCA semiconductor & materials div.'s manufacturing facility, now under construction in Mountaintop, Pa. . . Warren E. Dalbke promoted from district mgr. to Midwest regional mgr. CBS Electronics equipment sales . . . Perry C. Smith, ex-Reeves Instrument Corp., named field liaison dir. of National Co. technical liaison div. . . Joseph C. Otis, pres. of Otis Radio & Electronics, named mfg. vp, Globe Electronics div., Textron; Howard D. Vann appointed ad & PR dir.

Rudolph J. Napolitan, ex-A.R.F. Products, named gen. mgr., National Electronics Conference . . . William A. Schrader, ex-Collins Radio, named GPL asst. mgr. for transport aviation . . . James B. Williams named engineering vp, Electronic Communications Inc. . . Robert S. Marston, Crosby-Teletronics exec. vp, also named contracts vp . . . Les Brettman named Motorola operations planning mgr. . . Robert W. Jamason named personnel vp, RCA Communications Inc.

In honor of Dr. W.R.G. Baker, who headed GE's electronics business from 1941 to 1956 and retired as vp in 1957, the auditorium at GE's Electronics Park in Syracuse last week was designated W.R.G. Baker Hall. Dr. Baker now is research vp of Syracuse U. & pres. of Syracuse U. Research Corp.

Defense Dept. spent \$912 million on communications & electronics items during fiscal 1959—the highest amount since the Korean War year of 1953. The breakdown (by millions) shows that \$484 was spent by the Air Force, \$227 by the Army, \$201 by the Navy. The total does not include other categories of the Defense Dept. budget such as the research & development program and aircraft procurement.

Obituary

John Robinson (Jack) Binns, 75, honorary chmn. of Hazeltine Corp., died Dec. 8 in Mount Sinai Hospital, N.Y. A former newspaper reporter and writer, Binns is known for sending, in 1909, the first ship-to-shore distress signal. He is survived by his wife and 2 daughters.

Finance

Officers-&Directors stock transactions as reported to SEC for Nov.:

Allied Artists. Roger W. Hurlock bought 300, held 18,600. Albert Zugsmith bought 9,400 and 400 more in partnership, held 111,400 personally, 400 in partnership.

American Bosch Arma. Charles Allen Jr. sold 2,000 through Allen & Co. and 13,000 more in private sales, held none personally, 55,214 in Allen & Co.

Ampex. T. Kevin Mallen sold 2,500, held 20,600. Robert L. Pappas sold 125, held 13.

Arvin Industries. Harlan Foulke sold 476, held 7,919.

Audio Devices. Joseph K. McCammon sold 700, held 15,316. Henry E. Mendes sold 100, held 1,900 personally, 105 for daughter.

Avco. Arthur R. Kantrowitz sold 5,000, held 11,000. A. B. Newton exercised option to buy 5,800, held 6,800. C. W. Stoup sold 500, held 9,600.

Belock Instrument. Harry D. Belock sold 5,500, held 228,591. Donald C. Walton sold 400, held 21,379.

Cinerama. Walter Reade Jr. bought 1,000, held 1,000.

Clevite. Glen O. Smith bought 300 for wife, held 900 for wife, none personally.

Columbia Pictures. Louis J. Barbano sold 1031 through Fico Corp., in which 14 other officers & directors are beneficial owners, held 115,900 in Fico Corp., none personally.

Consolidated Electronics. Arie Vernes exercised option to buy 3,200, held 3,700.

Emerson. A.A. Vogel sold 200, held none.

General Dynamics. Lisle W. Adkins sold 1,000, held 500. Robert P. Meiklejohn sold 1,000, held 2,000. J. V. Nash exercised option to buy 7,550, held 10,625.

GE. Robert L. Gibson received 1,200 as bonus plan compensation, held 7,517. John D. Lockton exercised option to buy 1,500, held 9,519. Halbert B. Miller bought 1,088, held 2,898.

General Instrument. Monte Cohen sold 700, held 7,018. Sol W. Gross sold 900, held 2,500.

General Precision Equipment. Joel Dean sold 300, held 2,100. George T. Link sold 1,000, held 2,972. Gaylord C. Whitaker sold 835 as co-executor, held 355 as co-executor, 550 as guardian, 14,450 in trusts, 6,026 personally.

General Telephone & Electronics. Raymond E. Dolar exercised option to buy 200, held 1,000. Leon C. Guest Jr. sold 278, held 815.

General Transistor. Herman Fialkov exercised option to buy 500, held 34,918 personally, 5,818 as trustee. Bernard Jacobs sold 900, held none. Carl W. Knobloch Jr. sold 2,000, held 2,000. Norman A. Neuman sold 1,000, held none.

Hoffman Electronics. M. E. Paradise sold 5,033, held 133.

Indiana Steel Prod. I. A. Dickey exercised opt. to buy 1,000, held 2,000.

International Resistance. Walter W. Slocum bought 100, held 100.

ITT. Paul F. Swantee sold 400, held 5,934.

Lear. Harold C. Andrus sold 3,618, held 1,223. F. D. Beamer sold 1,288, held none. Harold J. Downes sold 500, held 124. Albus Durham sold 2,500, held 965. Philip E. Golde sold 9,000, held 8,104. A. G. Hanschumacher bought 100, held 194. Albert C. Keske sold 618, held 1,441.

W. P. Lear sold 20,000, held 424,767. C. J. Reese sold 500, held 1,000.

Litton Industries. Roy L. Ash acquired 96 in partnership through failure of performance under sales contracts, sold 650 as custodian, transferred 1,000 in community property, disposed of 95 in partnership through exercise of option by employees, held 49,799 personally, 1,450 as custodian, 5,579 in partnership. W. Preston Corderman bought 400, held 400. David Ingalls sold 2,000, held 1,153. Charles B. Thornton disposed of 210 in partnership through exercise of options by employees, acquired 210 in partnership through failure of performance under sales contracts, held 122,363 personally, 12,269 in partnership.

Loew's Inc. Howard Strickling bought 200, held 225.

Loew's Theatres. Thomas J. Connellan bought 100, held 100. John F. Murphy bought 200, held 400.

National Theatres & TV. Jack M. Ostrow sold 5,900 through corporation, held 85,100 in corporation, 7,500 personally.

RCA. Ralston H. Coffin exercised option to buy 100, held 500. Fred M. Farwell bought 100, held 100.

Raytheon. David R. Hull sold 1,000, held 2,650. N. B. Krim sold 500, held 3,450.

Sangamo. J. Bunn Jr. sold 10,516, held 24,629 personally, 48,561 in trusts.

Servomechanisms. Harry J. Volk bought 1,000, held 1,105.

Siegler. Donald Royce sold 461, held 8,000.

Stanley Warner. David Fogelson sold 252 through Schwartz & Frohlich, held none in Schwartz & Frohlich, none personally.

TelePromPTer. Fred Barton sold 1,000, held 39,819. Milton H. Hender exercised option to buy 100, held 600. Hubert Schlafly Jr. exercised option to buy 13,300, held 34,399.

Texas Instruments. F. J. Agnich sold 1,000, held 24,905. P. E. Haggerty sold 100 and 2,500 more in private transaction, held 122,531.

Bryan F. Smith sold 900, held 11,689 personally, 159 in trust. C. J. Thomsen sold 300, held 13,017.

Thompson Ramo Wooldridge. H. L. George sold 500, held 35,885.

Varian Associates. William H. Chandler bought 10, sold 500, held 1,648. James N. Donovan bought 10, sold 100 in joint tenancy, held 674 personally, 98 in joint tenancy. Clifford V. Heimbucher sold 2,000, held 36,734. Decker G. McAllister sold 200, held 28,680. Theodore Moreno bought 15, sold 100, held 10,185. Merle R. Zinser bought 120, sold 2,000, held 5,645.

Westinghouse. Dillon Anderson bought 300, held 500. Francis E. Dalton exercised option to buy 100, held 1,101. Robinson S. Kersh exercised option to buy 225, held 1,160. Fergus M. Sloan exercised option to buy 625, held 1,226.

Zenith. Hugh Robertson sold 200, held 8,858.

Olympic Radio & Television reports that sales in Nov. increased over those of Nov. 1958. It marked the 11th month this year in which sales of the Siegler div. topped those of the year-ago month.

Packard-Bell Electronics set profit & sales records in the 1959 fiscal year ended Sept. 30, Pres. Robert S. Bell reported. Sales were up 24% over those of fiscal 1958. Bell said that 44% of total corporate sales were racked up by the concern's technical products div., which in 5 years has pushed its annual volume from \$3.6 million to \$20 million. Packard-Bell also announced that it plans to introduce in the spring a small-size electronic computer which will sell for approximately \$25,000—and which will be faster, cheaper, smaller than comparable competitive units. For fiscal year ended Sept. 30:

	1959	1958
Net sales	\$46,608,062	\$37,371,081
Net income	1,375,346	1,002,594
Per common share	1.73	1.45
Shares outstanding	792,600	688,000

Transitron Electronic Corp. offering of 1 million shares, considered one of the "hottest" issues of the year, was quickly oversubscribed at \$36 a share Dec. 10 and was traded over-the-counter as high as \$49 the same day, before it settled down to a closing 43½ bid & 44½ asked. The 1 million shares (of a total 7,502,000 outstanding) were sold for Chmn. Leo Bakalar & Pres. David Bakalar by an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith. A major semiconductor manufacturer, Transitron netted \$6,456,138 on sales of \$30,913,376 for the year ended June 27. For 3 months to Sept. 26, the net profit was \$1,777,049 on sales of \$10,155,584. As of Nov. 28, its order backlog totaled \$14,250,000.

Electronics Capital Corp., the publicly-held small business investment company headed by Charles E. Salik, last week announced its 3rd investment—\$300,000 convertible debentures of Vega Electronics Corp., Palo Alto, Cal., convertible into 68% of Vega's common stock. The new Vega firm will engage in the design, manufacture & development of precision digital & analog magnetic-tape recording equipment and electro-acoustic products. It's headed by Russell J. Tinkham, recently with Ampex and founder & onetime pres. of Magnacord as well as dir. of Armour Research Institute's magnetic-tape research program. Previous investments by Electronics Capital Corp. have been in Potter Instrument Co. and General Electrodynamics Corp.

Ampex Corp., for the first half of its fiscal year, reports net income up 165% and sales up 86% from the comparable 1958 figures—both sales & income setting records. The current Ampex order backlog totals about \$18 million vs. \$13 million a year ago. For 6 months ended Oct. 31 (per-share earnings based on shares outstanding before merger with Orr Industries):

	1959	1958
Sales	\$30,002,000	\$16,147,000
Net income	1,763,000	665,000
Per common share	80¢	36¢

Reports & comments available: Transitron Electronic Corp., prospectus, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 . . . RCA, ITT and Lab for Electronics, reports, Schirmer, Atherton & Co., 50 Congress St., Boston 9 . . . General Instrument, discussion, Hill, Darlington & Co., 40 Wall St., N.Y. 5 . . . Barnes Engineering, analysis, Purcell & Co., 50 Broadway, N.Y. 4 . . . Collins Radio, comments, A.M. Kidder & Co., 1 Wall St., N.Y. 5 . . . Precision Apparatus Co. Inc., opening circular, Precision Apparatus Co. Inc., 70-31 84th St., Glendale 27, L.I. N.Y. . . . ITI Electronics, report, Edward Lewis & Co., 82 Beaver St., N.Y. 5 . . . Beckman Instruments, report, Schweickart & Co., 29 Broadway, N.Y. 6.

Lafayette Radio Electronics Corp., Jamaica, N.Y. distributor of hi-fi components & electronic parts, proposes a public sale of 275,000 common stock shares at \$5 per share. In an SEC registration statement (File 2-15899) the company said the offering will be made by D.A. Lomasney & Co., proceeds to be used to expand inventory, make leasehold improvements, increase working capital, etc. Lafayette is the 3rd big electronic-parts house to offer stock to the public in recent months—the others being Allied Radio Corp. and Hudson Radio & TV.

Stanley Warner Corp. earnings more than doubled to a record peak in the fiscal year ended Aug. 29, Pres. S. H. Fabian announced in the concern's annual report released last week. Stanley Warner operates 210 theaters in the U.S., TV station WAST Albany-Troy-Schenectady, other divisions & subsidiaries. For the fiscal year ended Aug. 29:

	1959	1958
Theater admissions, etc...	\$123,877,723	\$113,319,056
Net profit	4,812,041	2,333,119
Per common share	2.38	1.15

P. R. Mallory anticipates 1959 earnings & sales will rise sharply—to \$2.85 a common share on "slightly over" \$85-million sales, compared with 1958's net of \$1.89 a share on \$68,286,563 sales. The projected earnings are figured on shares to be outstanding following a 2% stock dividend Dec. 21. Approximately half of the total volume will stem from Mallory's electrical & electronic component parts. For 1960, Mallory forecasts earnings up 40%, sales up 15%.

Telechrome Mfg. Corp., in a statement filed with SEC, reports higher sales but lower net for 3 months ended Sept. 30 as compared with the same 1958 period.

	1959	1958
Net sales	\$485,468	\$343,454
Net profit	28,275	37,177
Per Class A share	13¢	22¢
Class A shares	221,167	165,800

Microwave Associates (28% owned by AB-PT) reports increases in sales & earnings for the year ended Sept. 30. The 1959 net income is reported after giving effect to special charges of \$70,000.

	1959	1958
Net sales	\$6,670,487	\$4,326,681
Net income	384,492	228,107
Earned per share	39¢	23¢
Common shares (1959) ..	978,000	978,000

Herold Radio & Electronics, in a report to the SEC, notes higher sales but a continuing net loss for the 6-month period ended Aug. 31:

	1959	1958
Net sales	\$3,894,728	\$3,721,391
Net loss	106,100	20,134

Electric & Musical Industries Ltd. has approved a 1-for-2 stock dividend which will be distributed on Jan. 20 to holders of American shares of record of Dec. 21. Also approved was a year-end cash dividend of 12¢ per common share, to be distributed Jan. 5 to American holders of record of Dec. 21.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Erie Resistor	Stk.	4%	Dec. 26	Dec. 14
Hudson Radio & TV ..	Init.	\$0.06	Jan. 8	Dec. 21
ITT	Q	.25	Jan. 15	Dec. 18
Howard W. Sams	Q	.15	Jan. 25	Jan. 15
Times Mirror	Q	.25	Dec. 22	Dec. 7
Western Union	Q	.35	Jan. 15	Dec. 18
Westinghouse, Canada	—	.25	Jan. 2	Dec. 15

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

SUMMARY-INDEX OF WEEK'S NEWS

DEC 21 1959

SPECIAL SURVEY REPORT: Electronics industry leaders appraise next year's TV-radio-stereo outlook in our Review & Forecast—1959-1960 (p. 15).

FCC

INDUSTRY'S DEFENSE & Justice Dept.'s help come as FCC hearing recesses. McGannon presentation impresses. Attorney General offers some anti-trust relief (pp. 1, 4 & 5).

ST. LOUIS CH. 2 rerun started by Judge Stern in deintermixture influence hearings. Principals repeat House testimony (p. 3).

Stations

NEW TV TAPE RECORDERS may be coming. Toshiba machine excites some industry interest; Telechrome working in Japan, England & U.S. on same approach (pp. 3 & 7).

RCA SIGNS PAYOLA PLEDGE with FTC to "cease & desist" from any illegal record-promotion practices. Consent order seen as pattern in FTC payola drive (p. 6).

RADIO CODE STRENGTHENED in proposals by NAB's good-practice committee, which urges adoption of TV Code changes by radio, calls for enforcement (p. 7).

Networks

PUBLIC-AFFAIRS UPBEAT CONTINUES as ABC-TV gets into race for prime-time news specials by blueprinting a weekly news-in-depth show based on Winston Churchill's books (p. 8).

CBS-TV'S ON-AIR PLANS for basic production practices allows canned laughter, synthetic locations, pre-recording, etc., but they must be clearly labelled under new set of rules (p. 8).

Manufacturing & Distribution

1959 & 1960 RECORD YEARS in electronics, according to EIA, which estimates 1959 factory sales at \$9.2 billion, predicts \$10.35 billion in 1960 (p. 13).

1959 TV SALES total about 5.8 million sets, 13% ahead of last year but still 2nd poorest unit-sales year since 1950. Production totals 6.25 million sets (p. 13).

RISE of 5%-8% in consumer electronics business predicted by set & component makers in our survey. TV consensus: retail sales of more than 6.1 million sets (pp. 14 & 15).

\$27-BILLION ELECTRONICS market by 1970 is predicted by Sylvia mktg. official, who sees volume rising from \$14 billion this year to \$15 billion in 1960 (p. 14).

Film & Tape

PROGRAM RESHUFFLE UNDER WAY but the mass shifts are not expected until spring (p. 10).

UA CONSIDERING ZIV BUY as its latest expansion in TV field. Control is owned by 2 leading Wall St. banking firms (p. 10).

Finance

SEC HALTS TRADING in Skiatron Electronics stock. Registration of stock issued to Matthew Fox also stopped (p. 20).

Other Departments

PROGRAMMING (p. 9). **PERSONALS** (p. 12). **ADVERTISING** (p. 12).

INDUSTRY'S DEFENSE & JUSTICE DEPT.'S HELP: FCC's programming hearing recessed last week until Jan. 5, pausing on a strong chord comprising : (1) A brilliant presentation by NAB Code Review Board Chmn. Donald H. McGannon, well-received by Commission. (2) A degree of relief from anti-trust worries about actions to improve programming, proffered by Attorney General William P. Rogers.

"Self-regulation" was theme of McGannon's testimony, as he defended industry's measures to date and urged FCC to move slowly in attempting to put its teeth into Code.

Most of McGannon's all-day presentation was devoted to description of what Code has done & expects to do. Not only has Code Board moved to curb objectionable commercials such as those for Preparation H ("courageously," commented Comr. Bartley), but it is moving "effectively to contain & reduce cases of excessive violence & crime," McGannon said. He reported that collaboration with Hollywood producers shows excellent promise in that direction.

McGannon would accept some FCC help in backing Code, such as requiring applicants to tell whether they're subscribers. He said Board would also consider whether to publicize names of stations thrown out of Code because of violations—this in response to repeated requests for "clues" by Commissioners. He also reported that Board will supply FCC with complete list of Code subscribers by Jan. 5 (thus identifying non-

subscribers through omission). However, he urged Commission to use non-Code-compliance as only one factor in weighing a station's performance. He was also happy to report that Code membership has increased 25% to 332 since Nov. 16, including the return to the field of some Preparation H drop-outs.

There was quite a flurry when Comr. Lee asked whether NAB would supply list of Radio Code subscribers, too. Non-NAB members can subscribe to TV Code, but radio stations must be NAB members before they can subscribe to the radio counterpart. Lee admitted frankly that he was pressuring stations to join. After a short caucus, Commission agreed to wait until NAB's Radio Board acts on Radio Code Committee recommendation that non-NAB members be permitted to subscribe (see p. 7).

McGannon defended industry against charges of "advertiser control." On local programs, he said that stations do preview film programs and accept responsibility for their content. He said he wasn't intimately familiar with network-advertiser practices but pointed out that networks have o&o's and are alive to their responsibilities for them.

McGannon rejected concept of "national advisory council" to guide FCC on programming, said that "you get into a genuine never-never land of subjective reaction. What is the proper program standard?" However, he strongly recommended industry-sponsored public-service conferences such as those convoked annually by his own WB. As for program "mediocrity," he said, "let the industry develop normally."

He also rejected the "Ford proposal"—Comr. Ford's concept of making broadcasters' colleagues a "court of first instance" for Code violators—such as the legally-constituted National Assn. of Security Dealers (Vol. 15:50 p4). "It differs," he said, "because of the nature of our industry."

McGannon wasn't very excited about Elmo Roper's poll showing that public isn't especially perturbed about TV (p. 5). "Statistical analysis isn't too important," he said. "The public is very hard to move. I don't think we ought to relax." On the other hand, he said, religious, civic & educational spokesmen who have testified before FCC in this hearing aren't necessarily representative of the public.

Code membership by advertisers & agencies isn't advisable, McGannon said, because they deal with all media, not only TV. He recommended "liaison," instead.

Code Board has only limited duties in regard to "program balance," McGannon said, stating that NAB Pres. Harold Fellows would address himself to that subject when he testifies. He said he thought FCC was within its powers in asking applicants to report what they've done to seek out needs of their communities.

Several Commissioners are most eager to give Code teeth. Comr. Bartley, referring to Code violators, said: "It seems to me it's about time we blew the top off these people." Comr. Ford observed: "You seem to have made a good start." But he wondered what was being done to "call a bad actor to the FCC's attention." Comr. Cross also wondered what difference it makes if station loses Code seal, if no one knows which it is. (For summary of McGannon's conclusions and for other witnesses' testimony, see p. 4.)



Chmn. Doerfer was obviously very pleased to disclose Attorney General Rogers' letter giving broadcasters some anti-trust comfort. He offered it as an appetizer just before lunch Dec. 18.

"I am confident," Rogers wrote, "that voluntary codes of good practice can be adopted by the broadcasting industry within the framework of the anti-trust laws which will play an important role in the improvement of radio & TV programming as an adjunct to appropriate Commission action to insure that its licensees operate in the public interest. In fact, as you are aware, such codes have existed in both the broadcasting & motion picture industries for a number of years. And if the broadcasters believe that any particular provision of an existing or proposed code involves possible conflicts with the anti-trust laws, I am sure that these questions can be satisfactorily resolved through appropriate consultation with [anti-trust div.] officials."

McGannon said the statement represents "notable progress" and that next move is a meeting of broadcasting representatives with Rogers. He cautioned, however, that Rogers' statement still doesn't protect industry against private anti-trust suits by stations which believe the Code Board has ganged up on them. Said Doerfer: "Well, it protects you from treble damages. You can't have perfection in this life."

Doerfer believes that Rogers' statement will do much to encourage networks to collaborate to offer public-service programs in prime time without fear of losing audiences to entertainment shows.

NEW TV TAPE RECORDERS COMING? There's been plenty of talk among industry engineers recently about new or different approaches to video-tape recording. There have even been top-secret demonstrations of new-type recorders both here & abroad.

The one machine which has excited most interest & curiosity is that demonstrated—and supposedly ready for production—by big Tokyo Shibaura Electric Co. (Toshiba). At least one U.S. firm hopes to put out an American version.

Whatever its other advantages, Toshiba recorder has one big drawback—it's incompatible with Ampex & RCA recorders, of which more than 500 are now in use. Nevertheless, some industry engineers are excited about possibilities of Toshiba machine.

"We are heavily committed to a machine similar in principle to the Toshiba recorder," we were told last week by J. Raymond Popkin-Clurman, pres. of Telechrome Mfg. Co., who has many business & engineering connections in Japan. He said Telechrome is "working in Japan, the U.S. & England" on such a recorder and hopes "to have something to talk about" before the April 3-7 NAB convention.

Toshiba recorder uses single recording head (Ampex-RCA use 4) and is said by its proponents to have marked advantages in cost, editing, simplicity and tape economy. In our talks with industry engineers last week, however, it was evident that some of them see any potential advantages as insufficient to outweigh the serious handicap of tape incompatibility. Toshiba has maintained stony silence on the recorder development, but it's known to have made prototypes.

Basic difference between Toshiba & Ampex-RCA recorder concepts: In the latter, the tape is driven straight across a revolving drum with 4 recording heads. Toshiba drives the tape in a spiral motion across a single head. Spiral tape drive is nothing new. Basic concept was invented 20 years ago by Ripley Kiel, who later developed spiral-drive sound recorders for RCA under govt. contracts. TV-tape recorder prototypes using spiral drive were demonstrated in this country in pre-Ampex days.

Don't discount the possibility of a competitive system of TV tape recording soon. Almost every broadcast engineer is extremely anxious to see demonstrations of the Toshiba approach—and others are on the horizon. But the negative view was summed up to us by a leading industry engineer when he said: "Video tape as we have it today will survive until an entirely new system comes along. And the new system—which is bound to come some day as technology progresses—is going to have to be much better in some important new way, such as complete portability, a cost one-tenth that of present machines, or the same results using one-tenth as much tape."

Note: In addition to its activities in the TV tape recorder field, Telechrome has signed a cross-licensing & import agreement with EMI Ltd. of England, will soon introduce a new line of EMI TV studio cameras here, including a 4½-in. image orthicon camera, the much-talked-about Emitron camera and a light-weight, low-cost live color camera. For more about Toshiba recorder and Telechrome-EMI camera, see p.7.

The FCC

St. Louis Ch. 2 Rerun: Special FCC examiner Horace Stern last week wound up 7 days of Philadelphia hearings in the tangled deintermixture influence case of St. Louis Ch. 2, which had been remanded to the Commission by the Court of Appeals to see whether KTVI won the grant properly (Vol. 15:19 p6). Most of the proceedings—which will be resumed after the holidays—were a rehash of protracted hearings last year by the House Commerce legislative oversight subcommittee (Vol. 14:21-22) on FCC's hotly-disputed shift of Ch. 2 from Springfield, Ill. to St. Louis and Harry Tenenbaum's Signal Hill Telecasting Co. The case had been carried to court by Springfield contestant Sangamon Valley TV Corp.

Large hunks of House investigation testimony about visits by KTVI's Tenenbaum & other Ch. 2 case figures to Washington, where they said they methodically contacted FCC members, were admitted into the Philadelphia hearing record by Judge Stern. He also asked for 2 volumes of the oversight subcommittee's transcript for his own Christ-

mas reading. Last week's witnesses included ex-*St. Louis Globe Democrat* Pres. C. Arthur Weis, ex-Mayor Nelson O. Howarth of Springfield and Pres.-gen. mgr. Gordon Sherman of radio WMAY Springfield, which once had & then lost Ch. 2 and since has withdrawn from the case. All agreed they had tried to enlist members of Congress and other politicians as well as FCC in their Ch. 2 causes.

"I think we are only interested in this case in *ex parte* communications & interviews with the Commissioners," Stern interjected at one point. At another, while Sherman was on the stand, Stern protested: "Well, if you want my frank opinion, I don't think any of the testimony so far produced is relevant to the issues in this proceeding." Tenenbaum spent 3 days on the stand, relating again how he had used lunches, dinners and FCC office visits in pursuit of Ch. 2 during deintermixture proceedings.

Stern's task, under the Appeals Court mandate, is to determine (1) The "nature & source" of all Ch. 2 *ex parte* pleas. (2) Whether any FCC members should have been disqualified in the case. (3) Whether any Ch. 2 contenders should be disqualified.

More about

"WILL THE CODE WORK?" A vigorous assertion that the TV industry can, with its Code, clean its own house, was presented to the FCC last week by Donald H. McGannon, chmn. of NAB'S TV Code Review Board (see p. 1). He summarized his testimony with a series of questions & answers, of which the following are significant excerpts:

"Question: Will the TV Code work?"

"Answer: I believe, without reservation, that the TV Code can & will work. It represents the only practical and workable regulation of the TV industry. It must be done by the TV industry & related elements at large, and supported by all of the other elements of our community . . . Without these, even 100% subscription will not necessarily work. However, with these factors present, like our bar associations of this country, the Code can be the broadcasters' version of the Canons of Legal Ethics and prove, in turn, an efficient basis of self-regulation. The Code would regulate the non-subscriber by virtue of the recognition afforded it by the public, governmental bodies, and the industry . . . I think a stumbling block of some considerable moment and one which inhibits elements of the industry from more vigorous support of the Code is the uncertainty of governmental or individual action predicated upon a violation of either the Sherman or Clayton Acts . . .

Integrity More Important Than Rules

"Question: Why didn't the Code work in the recent quiz show deceptions or any of the other relatable areas of recent disclosure of malpractice?"

"Answer: I think this question could be rather quickly answered by saying that any set of rules or laws will be effective in direct proportion to the integrity of the people involved. Obviously, this result is influenced by the deterrent effect of the regulation itself, although the TV Code, in my opinion, had all of the implicit and generally-stated restrictions that should preclude the deceit of the rigged quiz shows, I believe it did not represent a sufficiently strong focal point of reference to be an effective deterrent to such a practice occurring. Beyond this, let not the practical fact be overlooked, in considering the implementation of the Code, that one must know of the violation before one can act to stop or prevent it . . . This is not untrue of literally any form of regulation or criminal statute intended to contain or limit individual actions . . .

"I think the basic question facing the industry & the Commission today is not specifically why the Code did not preclude this deceptive & almost impossible-to-recognize practice concerning quiz shows, but whether it had & now has the ability to avoid such things happening in the future, and what is going to be the degree of sustained & continuing support the industry will afford the Code.

"It is my conviction that the Code is able to do the job, and that the industry has & will continue to take with strong conviction the regrettable revelations recently made concerning this very limited area of programming . . .

"The total task has not been perfected—much more still remains to be done. In the field of self-regulation, this industry can do the job—the job that cannot be done as well by any governmental agency even as to the initial step of writing the rule or legislation, or suggesting an effective model of enforcement & implementation.

"I urge you against any precipitous or impulsive act—let the broadcasting industry demonstrate that it can serve the public interest best under the present system . . ."

MORE VOX POPULI: FCC's programming inquiry last week produced an even wider range of testimony than the previous week—extending from the conventional blasts at poor programming to a spirited & careful presentation by the man upon whom much of the attention is focused—Donald H. McGannon, chmn. of NAB's TV Code Review Board. Herewith is a summary of the week's witnesses (for McGannon's testimony, see pp. 1 & adjoining column):

Prof. Elmer E. Smead, Dartmouth College, author of *Freedom of Speech by Radio & Television*, presented a scholarly analysis of FCC's powers over programming and concluded: "I am convinced that this Commission cannot avoid the regulation of programming. You have no choice." He argued that the courts would differentiate between TV-radio & other communications media in their interpretations of "censorship." Added he: "In 1958, the Supreme Court extended freedom of the press to a nudist magazine. Is there anyone who can doubt that the decision would be just the opposite in a case of the exhibition of nude men, women & children on theater or TV screens?" Chmn. Doerfer was still skeptical, but said: "I think you've made some substantial contributions."

John Fischer, editor of *Harper's Magazine*, called for regulation of the industry as a public utility, with the govt. collecting rent for use of the spectrum or taking all above 6% of station profits. These funds, he said, could be used to support a competitive, non-commercial network or support ETV or provide higher salaries for FCC members to attract "the finest talent the country could produce."

Eric Larrabee, American Heritage Publishing Co., also asked for governmental collection of rent from broadcasters, to be used for research into better means of using TV.

Pauline F. Weeden, pres., Links Inc., a civic organization, urged greater employment of negroes in the industry.

Walter Davis, dir. of Science Service, called for greater emphasis on science programs, including the inauguration of a national science club program appealing to youth.

Wants a Tougher Commission

Walter W. Eshelman, pres. of the National Education Assn., stating that his group represents more than 1,300,000 teachers, said that the FCC should require stations to devote a "fair portion" of 7-10 p.m. to public-service programs. He asked for "a new toughness on the part of your Commission."

Ralph Renick, news vp of WTVJ Miami & chmn. of the Radio TV News Directors Assn. (628 members), urged the Commission to show great restraint in the field of program supervision. "Frankly," he said, "the fear of RTNDA is that in the hysteria over revelations about quiz contestants & disc jockeys, that the Congress or the FCC will invoke new laws and/or regulations on programming which would adversely affect the presentation of news & information shows and would hamper the newsmen and would restrict the progress which is being made toward more & better news shows, documentaries and, most recently, editorials. Govt. control in this area is, at best, a very delicate matter. The broadcast news people feel that the First Amendment to the Constitution applies just as much to radio & TV reporters as to our brothers in the printed media . . . Let's take a hypothetical case in which a Congressman or Senator or federal official would be involved in a case where editorial criticism could be leveled and where his reputation was on the block. I think that even with the current federal regulations on the books, that

many broadcasters would play it safe and would leave the job of exposing such a thing to the newspapers or to perhaps another broadcaster with a bit more courage."

Prof. Robert Gessner, N.Y.U., said that the govt. should charge commercial broadcasters for use of frequencies, then use the money to establish a non-commercial 4th TV network operated by an independent authority appointed by the President. He also said that there should be punishment for commercial stations less severe than total license revocation—such as 30-day license suspensions.

Dr. Stanley I. Stuber, gen. secy. of the Council of Churches of Greater Kansas City, asserted that Congress must overhaul the Communications Act to give FCC "specific powers over both station and network programming." As an example of FCC's "glaringly weak" powers, he pointed to radio WHB's *Nightbeat* program and said that it has been used as an "open forum" for a "smear campaign" against a clergyman. He said he would file a formal complaint with the Commission.

Rabbi Maurice N. Eisendrath, pres. of the Union of American Hebrew Congresses, urged the establishment of govt.-operated TV & radio networks to counterbalance the TV industry which has "exalted the shoddy and has beamed its message to the moron." He said that the Commission should require stations & networks to broadcast public-service programs and that a citizen's committee be established as a watchdog on programming.

Sponsor-Program Divorcement Sought

Reinhold Niebuhr of the Union Theological Seminary filed a statement urging that sponsors be divorced from program control and that FCC be given control over length, frequency & quality of commercials.

Jonathan Daniels, editor of the *Raleigh News & Observer*, submitted a statement pleading that no new controls be imposed on broadcasting. "Nobody in Washington," he said, "can program our TV or radio. No sensible official would try." He noted that TV is now struggling against advertiser influence, recapitulating the battle won by newspapers many years ago.

Harry J. Skornia, exec. dir. of the National Assn. of Educational Broadcasters, asserted that FCC has an "absolute mandate" to drive out the "fast-buck boys" and help raise the level of TV-radio programming. "I'm a little ashamed as an American," he said, "that the U.S. mass media have failed to 'inform & rally our nation to what may become our finest hour instead of the catastrophe for democracy which some foresee.'"

Dr. Carl McIntire, past pres. of the American Council of Christian Churches, representing about 1½ million members of 16 fundamentalist Protestant denominations, asserted that most free broadcasting time is given to the National Council of Churches. Therefore, he said, "so far as the Protestant world is concerned, we have reached a condition where one viewpoint has virtually a monopoly."

Edward W. Scripps II, vp of Sigma Delta Chi, the professional journalistic fraternity, argued that the TV & radio industry should "be allowed to clean its own house, to conduct its business with its audience as the final editor, [free] from any further govt. control or restrictive legislation." He said the U.S. public had been "justifiably shocked" by industry scandals, but that his organization is convinced "inherent dangers" of FCC program controls "far outweigh the dangers posed to the public well-being by rigged TV quizzes & disc-jockey payola."

Because of holidays, FCC has changed its meeting days to Tues., Dec. 22 & 29 and Thurs. Jan. 7.

FCC Pros & Cons: In a sort of obligato to FCC's hearings on broadcast programming & Commission powers (see p. 4), critics & defenders of radio operations speak their pieces in Fund for the Republic symposium colloquies released this week. Participants in the discussions—part of the Fund's continuing study of "the role of the mass media in the free society"—express such views as these:

Ex-FCC Comr. Clifford J. Durr: FCC makes no effective checks of station program performance vs. program promises by operators when they apply for licenses. "The man who gets the station is often the man who is willing to stretch the truth the farthest."

Ex-FCC Chmn. Lawrence Fly: FCC has become little more than an "electronic traffic cop." New controls of networks' "coercive power" are needed. Commission rules should be "modified so as to accomplish their original purpose, which is to place greater responsibility in the hands of the local station operator."

FCC Comr. Rosel Hyde: FCC is "suffering from misunderstanding & lack of information about what it can do & what it does." Commission "has been assigned a responsibility in the public mind which we just do not have."

Ex-FCC gen. counsel Benedict P. Cottone: The TV-radio industry has "opposed any examination of programming" by FCC. Reflecting this attitude, FCC doesn't assume that it has a responsibility to revoke licenses or refuse renewals on grounds that a station has failed to fulfill programming promises.

Pres. Raymond F. Kohn of radio WFMZ Allentown, Pa.: Doesn't much licensing trouble stem "from the initial effort of the federal govt. to regulate & administer the spectrum to avoid interference? It has been administered ever since by patchwork here & patchwork there. This is true of AM & FM as well as TV."

Other participants in the symposium, which ran through 2 sessions, included Fund Pres. Robert M. Hutchins, Princeton U. prof. Eric F. Goldman, ex-FCC staffer Charles Clift, Chicago lawyer Newton N. Minow. Single copies of the 39-page transcript, *Broadcasting & Govt. Regulation in a Free Society*, are available free from the Fund for the Republic, 133 E. 54th St., N.Y.

* * *

Elmo Roper, veteran public-opinion sampler, reporting on a Dec. 5-12 poll commissioned by the industry's TV Information Office, found that the public "has put this whole matter in a pretty sane perspective." Among his findings:

(1) Only 4% of the respondents believed that "these shocking disclosures showed just how bad TV is, while 64% thought "these practices are very wrong and should be stopped immediately but you can't condemn all of TV."

(2) TV & newspapers are neck-&-neck as media most relied upon for news.

(3) Among top 12 moral problems today, increasing juvenile delinquency leads with 89% of respondents, while "advertisers making false claims is 6th with 67%, quiz-rigging 11th with 41%, payola 12th with 34%.

(4) Newspapers are "most believable" with 32%, TV next with 30%, radio 12%, magazines 10%—and 16% had no opinion.

(5) If public could have only one medium, 42% would keep TV, 32% newspapers, 19% radio, 4% magazines.

(6) TV industry is going through job of cleaning up abuses, according to 39%, while 37% believe it is merely "correcting the most publicized abuses," and 9% think industry isn't doing much of anything about it.

Roper suggested that the public has concluded: "Well, here's just one more proof of the fact that you'll find some rotten apples in every barrel."

Stations

RCA SIGNS PAYOLA PLEDGE: NBC's parent RCA, accused by FTC of illegal payola practices in promoting use of its phono records on TV & radio (Vol. 15:49 p2), capitulated without a fight last week. Just 11 days after FTC issued its complaints against RCA & 8 other record manufacturers & distributors in the ad-policing agency's new TV-radio cleanup drive, RCA counsel signed a consent order to "cease & desist" from payola.

The text of the agreement included the usual disclaimer by respondents in such FTC cases that "it is for settlement purposes only and does not constitute an admission by the respondent that it has violated the law as alleged in the complaint." But FTC's order to RCA to stop payola was sweeping & explicit. It's expected to be the pattern for any other consent agreements with firms cited in the campaign by FTC, which got a head start on parallel probes by FCC (Vol. 15:49 p1) and the House Commerce legislative oversight subcommittee (see p. 1).

Subcommittee counsel Robert W. Lishman last week filed a payola preview report outlining a score of alleged payola & plugola practices at TV & radio stations in 27 cities—but naming no individuals, stations or networks. The staff report also made accusations against "network officials" for reported use of network facilities to further their own outside financial interests, including investments in Broadway shows.

Lishman said that his staff hadn't fully checked out all of the accusations which flooded in from all over the country and from members of Congress, but he said that field investigations already indicated wide-spread payola operations ranging from under-the-table payments by record companies & distributors to political rackets by some stations which faked interviews in order to damage candidates for office. In releasing the staff report, the subcommittee ordered 2 of the points deleted because they might be libelous.

At the same time, the Commerce Committee's investigating unit issued its first subpoena in the new foray against broadcasters. It called for records of Broadcast Advertisers Reports Inc., N.Y., which publishes TV commercial activity data based on station monitoring. It wasn't clear immediately just what damaging data the probers expected to find in BAR's voluminous tabulations of sponsors & commercials. A subcommittee spokesman told us that the purpose of the subpoena now was to provide background material for staffers.

More FTC Settlements Forecast

"We are negotiating other settlements," FTC Chmn. Earl W. Kintner told us when questioned about the RCA agreement. But no other agreements had developed by the end of the week. FTC members held their usual weekly conference Dec. 17, took no action on any payola cases.

Earlier, Kintner had said: "I wish to commend both RCA and its counsel [Jerrold G. Van Cise of Cahill, Gordon, Reindel & Ohl] and the Commission's Bureau of Litigation for negotiating an effective consent order in so short a time. This quick response to a situation questioned by the FTC is definitely in the public interest, for these matters should be resolved fairly & as quickly as possible."

A companion RCA statement said FTC's payola "initiative [is] very constructive & merits the wholehearted support of all responsible members of the industry." The statement added: "We welcome this action because we

firmly believe that these steps, taken to assure the highest standards for the record industry, are in the best interests of the public, the artists, record distributors and retailers and the entire industry. If questionable practices are stamped out, the entire industry will be on a firm basis and in a position to make even greater contributions to the cultural standards of America. This should result in increased benefits to the public & new levels of growth for the industry itself."

The consent order covered RCA, its officers and its "agents, representatives and employees, directly or through any corporate or other device." It pledged RCA in its use of records to "forthwith cease & desist from:

"(1) Giving or offering to give, without requiring public disclosure, any sum of money or other material consideration, to any person, directly or indirectly, to induce that person to select, or participate in the selection of, and broadcasting of, any such records in which respondent has a financial interest of any nature.

"(2) Giving or offering to give, without requiring public disclosure, any sum of money, or other material consideration, to any person, directly or indirectly, as an inducement to influence any employe of a radio or television broadcasting station, or any other person, in any manner, to select, or participate in the selection of, and the broadcasting of, any such records in which respondent has a financial interest of any nature.

"There shall be 'public disclosure' within the meaning of this order, by any employe of a radio or television broadcasting station, or any other person, who selects or participates in the selection & broadcasting of a record when he shall disclose, or cause to have disclosed, to the listening public at the time the record is played, that his selection & broadcasting of such record are in consideration for compensation of same nature, directly or indirectly, received by him or his employer."

Prison for Phony Ads Denied

Meanwhile, FTC spokesmen discounted one newspaper scare story ("U.S. Plans Jail, Fines For Phony TV Ads" was the *N.Y. Herald Tribune* headline) which indicated that a move to put TV advertisers in prison was under way with Justice Dept. collaboration.

No such jail-&-fine crusade is contemplated, FTC Chmn. Kintner assured us. "The story behind that story is that we are undertaking closer liaison with the Justice Dept. staff. It's just part of our stepped-up campaign against fraudulent advertising. There are limited areas of criminal enforcement in the statutes under our jurisdiction."

The Food & Drug Act permits criminal action against promoters of foods, drugs & cosmetics which are "injurious to health." The Federal Trade Commission Act permits FTC to institute criminal action against advertisers for "willful violation" of final court injunctions forbidding continued use of fraudulent advertising. No cases in either category are on FTC's books now, Kintner said.

WRCV-TV & WRCV Philadelphia keynote the trend in 1959 Christmas cards with a note that they have contributed in our name to a worthy cause. The gesture is made more meaningful with a delightful brochure from the recipients which says: "We're going to have a merrier Christmas because of WRCV & WRCV-TV's contribution to our Northern Home for Children in your behalf." Similar notes about contributions made on our behalf have been received from Jerrold Electronics Corp., which has been using this form of remembrance for some years.

More about

NEW RECORDERS & CAMERAS: "Today's recorder is a modern miracle, but you can expect to see substantial basic changes in the whole method of video-tape recording in the next 5 years." So said ABC engineering vp Frank Marx last week in answer to our questions about new ideas in TV tape recording (see p. 3).

Whether the Toshiba recorder fills the bill as a basically different system is debatable—but telecasters & others who have use for wide-band recording devices all over the world are expressing interest in the Toshiba development. Telechrome, hoping to develop a similar machine in the U.S., has been following Toshiba's tape-recorder progress closely, is convinced the system has marked advantages.

There have been rumors that GE will import or produce the Toshiba-type machine because of International GE's substantial ownership of Toshiba stock. GE broadcast equipment officials last week said they knew nothing about these reports, expressed doubt they were factual.

Whether or not Telechrome becomes a rival of Ampex & RCA in the video-tape recorder field, it definitely hopes to compete with them in TV cameras. It will pit the British EMI cameras against RCA's domestic ones and Ampex's British Marconi units.

Telechrome plans to import—and show at the NAB convention—the following EMI items: (1) An all-purpose studio camera which can use a 4½-in. image orthicon, a conventional 3-in. image orthicon or an Emitron tube. The latter tube, used for many years in England but never in the U.S., requires no warmup time but needs 25%-35% more light, is said to last 3 to 5 times longer than the image orth. (2) A light-weight, high-quality low-cost live color camera, using a new supersensitive vidicon tube—also requiring a higher light level than present image orth cameras. (3) New studio vidicon b&w camera.

* * *

New image orthicon camera tube, made available by Westinghouse last week, has guaranteed operating life of 1,000 hours, compared with the usual 500-hour warranty offered on present image orthicons. The new tube will sell for "20% more than the present types which cost about \$1,200," according to Westinghouse. The company claims that long life has been achieved by eliminating image retention through improving the characteristics of the tube itself and that no mechanical or electronic orbiters are required. The tube can be focused on a stationary scene for several minutes without damage. One of the new tubes was used at KDKA-TV Pittsburgh for 1,825 hours.

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Reported major-market station swap between RKO Teleradio (WNAC-TV Boston) and NBC (WRCV-TV Philadelphia) has not been agreed upon, we were told Fri. by Hathaway Watson, Teleradio vp. The swap, said Wilson, was "a suggested method from NBC for a station group to acquire the Philadelphia channel."

NAFI Corp. has purchased KXYZ, Houston, Tex. radio station, for \$750,000 subject to FCC approval. The deal was negotiated by Kenyon Brown, head of NAFI broadcast division, and Milton Underwood, chmn. of Houston Bestg., which owns KXYZ. NAFI Corp., which has embarked on policy of diversifying into broadcasting (Vol. 15:33, 36), now operates KPTV (Ch. 12) Portland, Ore. and KCOP (Ch. 13) Los Angeles.

FCC's FM stereo deadline for filing comments was extended to March 15 at request of EIA (Vol. 15:50 p8).

RADIO CODE STRENGTHENED: NAB's standards of good practice committee has started a repair-&-paint job on the industry's Radio Code, which for 22 years has operated—with little surveillance—on an honor system basis which has been rickety at times.

Meeting in Washington in a quiz-&-payola crisis session just 2 weeks after NAB's TV Board voted to beef up the TV Code (Vol. 15:49 p3), the 8-man good practice committee recommended that NAB's Radio Board approve similar improvements for the Radio Code.

The committee headed by Cliff Gill (KEZY Anaheim, Cal.) said these steps should be taken to curb "a relatively few members of the radio broadcasting industry whose questionable activities have tended to place all radio broadcasters in an unfavorable light":

(1) Adopt language of all TV Code amendments on quizzes, payola, program fakery and news interview misrepresentations, omitting only a TV Code change directed at visual advertising frauds. (2) Open up the Radio Code subscription list to all stations. Any TV station can subscribe to the TV Code; only NAB members have been eligible to call themselves "good practice" stations. (3) Put some teeth into the Radio Code by devising some enforcement methods.

Enforcement Methods Proposed

"Several alternatives" for industry enforcement of the radio rules were proposed at the good practice committee meeting, but they weren't spelled out publicly pending a Radio Board session which NAB Pres. Harold E. Fellows was expected to call promptly. One proposal discussed, however, was a plan for monitoring radio outlets. NAB monitors TV Code subscribers, whose misuse of NAB's Seal can thus be documented for disciplinary purposes, but no such watch has been kept on radio.

"The overwhelming majority of stations will welcome the tightened language [of the proposed Radio Code amendments] and will find no difficulty in operating in compliance," the radio committee said confidently.

At the same time NAB radio vp John F. Meagher said that in 10 recent days 76 more stations had signed up for the Radio Code, making the total enlistment 683 among 1,533 NAB radio members. And at its first meeting, NAB's special new 12-member TV-radio task force (Vol. 15:50 p6) was cheered by news that since last month TV Code subscribers had increased by 12% to bring the total to 302 stations. By the end of the week more TV Code enlistments brought the total to 332.

Chief immediate business of the all-NAB committee was to help prepare a TV Code presentation for FCC's program-practice hearings Dec. 18 (see p. 1). The task force also approved an information guide to be mailed to all TV & radio stations. It's intended to help them answer FCC's payola questionnaires (Vol. 15:49 p1). FCC will find that "high standards of ethics" are observed by an "overwhelming number" of stations, the task force said.

At both meetings there was talk that it might be a good idea for all segments of the broadcasting industry—stations, communications lawyers, advertisers, agencies, etc.—to get together for a joint conference on mutual problems in the industry's crises. "The special committee of NAB has informally discussed this matter, but will not take final action until it disposes of more pressing questions," Pres. Fellows said.

* * *

Payola probe of Philadelphia TV-radio-recording activities has been launched by DA Victor H. Blanc.

Networks

ABC's Public-Affairs Coup: It was ABC-TV's turn at bat to make a hit in the 3-network effort to improve the social image by scheduling bigger & better news shows in prime time—so it delivered with one of the biggest names possible: Sir Winston Churchill. A new 30-min. series, to start next fall and based on Churchill's writings, will combine the pick of 1919-1957 news footage, specially filmed interviews, narration, and music by a top composer. Discussions are being held with Richard Rodgers, who did *Victory At Sea* music.

Roster of big news names will be seen & heard in special interviews for the series, including President Eisenhower, Harry S. Truman, the Duke of Windsor, Sir Anthony Eden, Viscount Montgomery, Bernard Baruch and Mrs. Eleanor Roosevelt. Also planned are location interviews with German, Italian, Japanese and Russian figures.

Unlike the new prime-time news shows at NBC-TV & CBS-TV (Vol. 15:44-49), which are to be almost entirely network-produced, ABC-TV's venture calls for co-production with an outside program source—Screen Gems. The network's news staff will be involved in much of the research, screening and writing.

TV rights to Churchill's works were granted some time ago by Churchill to wartime friend Jack LeVien, then a Lt.-Col. on Eisenhower's PR staff and now an executive of Hearst Metrotone News. When no network showed interest, LeVien made a deal earlier this season with Screen Gems. No production on the series has yet been done, and no time slot has been assigned. The series will undoubtedly be offered for sponsorship—with good chance of getting it.

ABC's interest in documentaries is quite recent, having built most of nighttime schedule around telefilm product from Disney, Warner Bros., 20th-Fox, etc. In the blueprint stage at ABC is recently announced *World of Mind* series to be done at Yale U. (Vol. 15:49 p10), as well as 60-min. film reports covering Pacific-area developments (an outgrowth of recent Goldenson-Treyz trip to the Orient) in Korea, Japan & India.

Still in front in the public-affairs realm are CBS-TV & NBC-TV. CBS has its monthly 60-min. *CBS Reports* specials and a growing list of other public-affairs projects. NBC will start its 60-min. weekly prime-time (Sat. 9:30-10:30 p.m.) *World Wide 60* series in Jan., and has other news-in-depth & documentary shows in the works.

NBC's New Enterprises Div. will now house 4 separate units to handle the network's sideline activities: domestic, international, theatrical and development. Alfred R. Stern continues as vp in charge of the div., with Morris Rittenberg, ex-mgr. of NBC-TV special program sales named dir. of the domestic unit and Clifford W. Slaybaugh, mgr. of associated companies-international operations, named dir. of international enterprises. The domestic unit will concentrate on such fields as merchandising & book-publishing. The international unit will specialize in overseas sales & investments. The theatrical unit will handle investments in Broadway shows & NBC's ownership of the Hudson Theatre. The 4th unit will function as a catch-all to "develop further diversification of the NBC operation."

Orders for \$3 million in new & renewed business were racked up by the ABC Radio Network in the 30 days ended Dec. 14. ABC Radio Pres. Edward J. DeGray said it was the highest sales volume recorded in a like period over past several years, added ABC Radio News is about sold out.

New Sales Lineup at CBS-TV: One of the first moves in the new regime of CBS-TV Pres. James T. Aubrey Jr. last week was a realignment of the network's sales dept., headed by William F. Hylan, sales administration vp, and Thomas W. Dawson, network sales vp. The shuffle involves a total of 7 executive appointments.

John Karol, who stepped down from the sales vp ranks (CBS Radio) to become a TV salesman, has been appointed vp & dir. of special project sales. Karol will work primarily with the network's growing roster of public affairs shows (for news of an ABC-TV move in this field, see next column). Stated Hylan of Karol's appointment: "This is in recognition of increasing importance and unprecedented advertiser interest in a broader range of program types."

Other promotions: Sam K. Maxwell Jr., daytime sales mgr. for the past 18 months, succeeds Edmund C. Bunker (recently named vp of CBS Inc. for the network's Washington office) as gen. sales mgr. Succeeding Maxwell is former acct. exec. Joseph N. Curl. Theodore F. Shaker, acct. exec., has been named mgr. of program sales, replacing Robert B. Hoag (who recently moved to CBS-TV, Hollywood). Alfred J. Harding, acct. exec., was named to the newly created post of mgr., public opinion program sales. Robert F. Jamieson, currently mgr. of station contacts for CBS-TV affiliate relations, was named to another new post, that of asst. business mgr. & dir. of station clearances for network sales. Richard H. Low, currently dir. of contracts, will assume the added duties of asst. business mgr.

CBS-TV's New Labels: Latest CBS-TV move in the realm of network self-regulation (Vol. 15:50 p3) came in the form of a Dec. 14 memo from the office of program practices vp Joseph H. Ream. There'll be a labeling rather than a "weeding out" of canned laughter in comedy shows and location scenes actually produced in a studio. Synthetic applause or laughter will be permitted but must now be labeled (audio & video) "audience reaction technically produced" or "technically augmented." Film or tape segments must be identified, even to the point of stating (at the risk of double-take viewer confusion) "certain portions of this recorded program were pre-recorded."

Shows which contain "a situation which purports to be real but is actually fictionalized," such as a courtroom scene based on a real trial, are to be TV-tagged "portions of this program are fiction." Lip-sync, the process of silently mouthing a song on TV while a record is playing, will be identified along this line: "The voice in the (song, number or other adequate description) was previously recorded." If 2 or more situations occur in one show, announcements are to be combined, with such possible results as "this pre-recorded program included technically produced audience reaction and guests on a portion of it were interviewed in advance."

NBC's proposed medical service, to be rendered via multiplexed FM (Vol. 15:47 p10), received its first FCC authorization last week when the FCC gave the network's WRCA-FM N.Y. permission to start. The Commission said the station was authorized "to provide background music service to doctors' offices, hospitals & clinics to include advisory newscasts concerning matters of interest to medical subscribers, provided the system is not used as a paging service or for other purposes unrelated to broadcast operation." NBC plans eventually to reach 70 markets with 12 hours daily, charging each subscriber \$120 a year. The Commission reported that "doctorcasting" is already practiced by KMLA Los Angeles and KCBM Kansas City.

Daytime TV Billings Up: Registering a 20.1% increase in Sept. over Sept. 1958, daytime network-TV gross-time billings finished the Jan.-Sept. period with a gain of 26.1% over the volume for 1958's first 9 months. TvB also reports that cumulative gross time charges for 1959's first 3 quarters totaled \$147,820,975 compared with \$117,257,502 for the same 1958 period. The figures are LNA-BAR compilations. Sept. daytime billings rose to \$15,384,651 from \$12,805,318 in Sept. 1958.

Way-out leader in network-TV time buying, by product classification, was food & food products, which led all categories in the 3rd quarter & in Jan.-Sept. For the first 9 months, food & food products TV spending totaled \$82,588,483, up from \$78,400,729 in the year-ago period. Sharp increases in Jan.-Sept. over Jan.-Sept. 1958 also were registered by agricultural & farming products (\$1,302,747 from \$51,347); drugs & remedies (\$52,306,203 from \$39,615,661); gasoline, lubricants & other fuels (\$5,966,801 from \$1,843,908); smoking materials (\$56,464,858 from \$43,342,205). Among those time-users which fell behind the year-ago pace: TV-radio-phono sets, musical instruments & accessories—down to \$3,684,937 from \$5,740,503.

Leading TV network advertiser both in the 3rd quarter & in Sept. was Procter & Gamble, with gross-time expenditures of \$11,899,344 & \$4,037,756 respectively. Kent cigarettes was the leading net-advertised TV brand both in the 3rd quarter (\$2,664,817) & in Sept. (\$853,462).

F. L. Jacobs Co., Detroit holding company which pleaded guilty to conspiracy in N.Y. federal court at the trial of ex-MBS head Alexander L. Guterman & others on fraud charges (Vol. 15:50 p9), gets its much-delayed day in SEC court Jan. 18. Previously postponed, an SEC hearing for Jacobs on complaints that it failed to file financial reports—and therefore should be delisted from the N.Y. Stock Exchange—had been set in Washington for Dec. 15. But on pleas for counsel for Jacobs trustees that more time was needed, SEC agreed to postponement until next month. Meanwhile, SEC gave a Christmas present to Jacobs stockholders. It lifted its suspension of trading of the company's stock to permit over-the-counter transactions.

NETWORK SALES ACTIVITY

ABC-TV

Colt .45, Sun., 7-7:30 p.m., 12 consecutive wks. of full sponsorship starting Jan. 10, 1960.
Whitehall Labs (Ted Bates)

CBS-TV

Eyewitness to History: 1959, special 60-min. summary of news highlights, 9-10 p.m. Jan. 1.
Firestone Tire & Rubber (Campbell-Ewald)

Daytime programming, participations and alt. wk. 15-min. segs, *Armstrong Cork Co.* (BBDO), *Binney & Smith* (Chirug), *Fruit of the Loom* (Daniel & Charles), *Helene Curtis* (Ed. H. Weiss), *Gen. Mills* (Dancer-Fitzgerald-Sample)

NBC-TV

Dow Hour of Great Mysteries, March 31, 1960, 9-10 p.m. Joseph N. Welch will be host.
Dow Chemical (MacManus, John & Adams)

Meet the Press, Sun., 6-6:30 p.m., alt. wk. sponsorship eff. Jan. 3, 1960.
Sano Cigarettes (C. J. LaRoche & Co.)

Bonanza, Sat. 7:30-8:30 p.m., renewal of alt. wk. thirds.
Liggett & Myers (Dancer-Fitzgerald-Sample)

Programming

Cowan-Created EPI Dissolves: The quiz-packaging firm founded in 1946 by ex-CBS-TV Pres. Louis G. Cowan, entertainment Productions Inc., is going out of business. This was confirmed to us in N.Y. last week by Leonard H. Steibel, secy. & legal counsel for EPI. Actually, it's just a paper deal, since EPI has no shows on the air and Cowan no longer owns an interest in it (although his wife holds a 3% interest). What made the move interesting to the TV industry was revelation of the names of some of the owners of EPI, which at one time produced *\$64,000 Question & \$64,000 Challenge*.

Biggest surprise was that a 2¼% interest (originally representing a \$10,000 investment) is held by James A. Linen, publisher of *Time*, a magazine which has frequently been scathing in its coverage of the quiz scandals and which drew an invitation recently (Vol. 15:47 p7) from NBC Chmn. Robert W. Sarnoff to pull its *Time Inc.* TV stations out of network service and go it alone.

NBC-TV's public affairs show, due to replace *5 Fingers* in the Saturday 9:30-10:30 p.m. prime-time slot Jan. 23, will be titled *World Wide 60*. The series (Vol. 15:49 p11) has a strong mathematical chance to gain a large audience, Nielson having told us that its time period usually draws a sets-in-use level of about 62% of all TV homes, which compares with the 67% nighttime peak for the entire week, which usually occurs between 8:30-9 p.m. Wednesday. Earlier this year (Jan.-Mar. 1959), the sets-in-use figure for all NBC-TV nighttime network periods (7:30-11 p.m.) on a Mon.-Fri. basis averaged 63.0.

A strong critic of FCC in recent months, the *Washington Post* studied testimony in the Commission's programming hearing and seemed to have second thoughts in its Dec. 12 editorial, which stated in part: "Citizens cannot have it both ways. If they wish their media, air & printed, to be free, they must be free to be right & free to be wrong, free to be good & free to be bad. The proper agency for the administration of rebuke or the conferral of praise is the people themselves. They have the means & the power to obtain any sort of programming they wish—if their wishes are strong enough to make them take a lively & continuing interest in what they see & hear on the TV & radio. The blame for what is wrong with radio & TV lies with the industry. The spotlight ought not, at this date, be turned from them to the FCC . . . For the information of those who clamor for government to spare them from having to listen to or watch bad programs, there is a button on every set manufactured, which, by the slightest exertion, can be turned from 'on' to 'off.' Nothing that the FCC can do will as effectively govern quality as the use of this device by listeners."

Ban on TV coverage of N.Y. State Assembly may be eased somewhat in 1960. A recent face-lifting of the electrical & air conditioning system for the Albany legislature installed a new set of overhead lights, adequate for live or tape pickups. It's expected that Gov. Nelson A. Rockefeller's annual message will be TV-covered there Jan. 6, but a membership vote would have to approve coverage of daily assembly sessions, lights or no lights.

TV panel shows can't use AP staffers, says the wire service, which reinvoiced an old rule against paid outside activity by its employees. First to be cut off the air: AP's Jack Bell, who had been scheduled for CBS-TV's *Face the Nation* Dec. 13.

Film & Tape

Program Reshuffle Under Way: The mass exodus of the failure shows will probably begin in the spring, when 26-week deals expire. Now that networks, sponsors and ad agencies have had opportunity to see which series are making the grade & which are not, program changes are being prepared behind-the-scenes. There won't be as many as have been anticipated for the year-end because it's usually impossible to have a film replacement ready on sudden notice. Network executives we've checked explain that a sponsor doesn't usually know until late Nov. or Dec. whether it has bought a show. By that time, it's a choice of buying a live replacement, or of going along with the current entry until spring. Most sponsors choose the latter course. Another factor is that Hollywood producers don't begin production of most new pilots until Dec. or Jan. Network executives we've talked to anticipate much replacement next year because of the many weak shows.

NBC-TV's program board has made a number of recommendations for changes which should result in some reshuffling in the immediate future. That network is in the singular position of having 3 film series in production as replacements, so can doctor up its lineup without a wait. The 3: *The Barbara Stanwyck Theatre*; the tentatively titled *Cowhand*, starring Brian Keith; and *Overland Stage*, starring William Bendix. Look for one or all of these series to wind up on the network in Jan. NBC is also considering several Sun. & Mon. night changes, with one plan envisioning *Riverboat* moving from Sun. to Mon. and *Overland Stage* replacing *Riverboat*. P&G, in cancelling *Wichita Town* on NBC-TV, also relinquished the Wed. night time slot. The 26th & final episode will be seen March 30 and no replacement has been set. The network also bought last week from Four Star Television an untitled comedy series starring Tom Ewell, but has not yet decided where to slot the show. That's one reason CBS-TV's Bob Weitman, vp for program development, was on the Coast last week. He talked to MCA, Screen Gems, Louis F. Edelman, Four Star Television, Red Skelton and the William Morris Agency regarding series for now & for next spring and fall. Weitman told us no decisions had been firmed.

Virtually an all-film network, ABC's only change so far is the *21 Beacon Street* reruns replacing *Dick Clark's World of Talent* Dec. 27. Explained one ABC executive: "On film series, we have to go for at least 26 episodes."

Another program ax dropped in N.Y. last week, when, bearing out still another of TV-Q's predictions of mid-season flops—(Vol. 15:48 p8), Revlon notified packager Goodman Ace and agent Wm. Morris that it was dropping its non-film alt.-wk. *The Big Party*. The idea had looked good on paper but never worked out in rating practice. The official bow-out date is Feb. 25 (on the 8th show in the series of a planned 15), although Revlon is committed to the 9:30-11 p.m. Thurs. slot on CBS-TV, alternating with *Playhouse 90*, until June. No definite replacement for the show is in sight. Revlon is reportedly considering a switch to a 60-min. weekly variety show.

Producer Hal Hudson and writers Gene Roddenberry, Harry Julian Finke and Don Ingalls are preparing a new Western anthology series, *The Weapon* . . . Four Star Television and producer Vincent F. Fennelly are producing a pilot for *Stagecoach West*, a 60-min. series.

The Society of Television Technical Directors has been formed by personnel from the 3 networks & local stations "to promote & maintain highest . . . technical standards."

UA Considering Ziv Buy: United Artists is holding "preliminary discussions" with Wall St. investment banking firms Lazard Freres and F. Eberstadt & Co. toward the purchase of controlling interest in Ziv TV, one of the leading producer-distributor firms in the syndication field. UA thus continues its favorite technique of TV film expansion: The purchase of an existing, well-established company with strong sales staff & product backlog.

Primary (80%) control of Ziv was acquired this summer by the 2 banking houses, one of which (Eberstadt) helped float UA's successful stock issue. Having passed the 6-month mark, at which time a capital gains deal can be made, the banking firms are reported to have considered a public issue of Ziv stock, but are now more interested in the UA offer, said reliably to be in the \$20 million bracket.

UA's first major expansion in the TV film realm came last year with acquisition (after a legal scrap with NTA) of Associated Artists Productions, now UAA, which had controlled TV distribution of the Warner Bros. pre-1948 feature backlog. UA has had only moderate success in co-production packaging & distribution of the telefilm series of its own producers (*Troubleshooters* and *Dennis O'Keefe Show* in network sales; *Tales of the Vikings* in syndication), and acquisition of Ziv would give UA: (1) one of the strongest syndication sales forces in the field, (2) a sizable backlog of first-run, off-network & rerun film properties to be used in everything from network-level sales to station-level library deals, and (3) UA's first film lot—Ziv Studios in Hollywood.

Writers Guild vs. Employment Blacklist: Writers Guild of America Pres. Curtis Kenyon revealed last week that WGA has formed a committee to help eliminate the blacklist. Hollywood's "untouchables" for the past decade have been those individuals on the movie or TV industry blacklists. Because such lists do not legally exist, the talent guilds have found them difficult to fight. While they were originally made up to exclude Communists from working, a number of innocent names got on the list.

For instance it has been disclosed that Louis Pollock, a Guild member, had been erroneously placed on the TV & movie blacklists in 1954 and hasn't found work in either medium since. (Only exception: one teleplay sold to *The Lineup* in 1956). When Pollock learned 10 weeks ago that he was on the list, he & attorney Martin Gang uncovered the fact that he had been confused with a San Diego clothier named Louis Pollack who had appeared before the House Un-American Activities Committee in 1954 and taken the First, Second, Fourth and Fifth Amendments on the subject of Communist affiliation. Attorney Gang's inquiry to Washington brought a letter from Richard Arens, staff dir. of the House Committee, stating that writer Pollack, "embarrassed by the similarity" of names, was not clothier Pollack who appeared before the committee. Pollock has resigned his PR job and will resume writing.

RCA will establish a TV tape engineering & applications center at its Hollywood recording studios early next year to furnish West Coast broadcasters & film firms with technical assistance on applications of RCA TV tape recorders. The new service will be headed by H. D. Bradbury, now film recording & West Coast TV operations mgr.

Hollywood's museum of motion pictures & television will be situated across from Hollywood Bowl, it's been decided by the museum commission. Originally, it was reported the museum would be located at the NBC property at Sunset & Vine, which is for sale.

NEW YORK ROUNDUP

ITC's *Lassie*, 6-yr. veteran on CBS-TV, becomes "the first American TV series to be scheduled on a regular basis behind the Iron Curtain," with a sale to the Yugoslavian TV station. This puts the show into 32 foreign countries.

Trans-Lux TV Corp., Westinghouse Bestg. and Metropolitan Bestg. Corp. will stage a replica of a Hollywood charity premiere in N.Y. next week (29) for the offspring of TV editors & agency executives to promote *Felix the Cat*, which debuts on WNEW-TV N.Y. and WBC's 5 stations in Jan. 1960. The premiere is for the benefit of CARE Inc. Moppets attending will see a 60-min. live stage show, and a "Felix" screening, in addition to receiving gift packages of games, books & toys . . . Harold J. Klein has been named vp for business affairs, ABC Films.

ITC expects to offer shortly 60-min. & 90-min. entertainment specials taped in London and other overseas TV points for network-level telecasting in the U.S. Due for a meeting in N.Y. within the next 2 weeks to discuss the project are ITC's international production dir. Leslie Harris and Chmn. Mike Nidorf, as well as Associated TV Ltd. officials Val Parnell and Lew Grade. ATV is a 50% owner of ITC and has tape-equipped facilities in London, as well as a tie-up (via Parnell) with the London Palladium, one of the top showcases for vaudeville performances.

United Artists Associated reports sales of various segments of its Warner Bros. feature film product in 43 markets during the last 2 weeks. Largest single feature sales were of the 1927 "Jazz Singer," in 14 markets and "Mark Twain" in 5 markets . . . Arthur Freed will produce the Oscar show April 4.

Walter Schwimmer, Chicago packager & creator of *Championship Bridge*, has completed a pilot film for a *Championship Tennis* series. The film features a specially-arranged match between Barry McKay & Neal Fraser . . . Cal. National Productions, a subsidiary of NBC-TV, reports over \$3 million in syndicated sales of *The Life of Riley* as a daytime comedy strip series. The William Bendix starrer, which entered syndication late in 1958, is in 134 markets, and has 217 episodes. Ziv's off-network syndicated *Tombstone Territory* will be heavily promoted by 4 regional sponsors. Pacific Gas & Electric Light, Morning Milk div. of Carnation, Mouson's Brewery and Stroh Brewery plan to spend a total of \$200,000 on ads for the ex-ABC-TV Western, which debuts in syndication, with all new episodes, early in Jan. 1960.

CBS Films plans production of 12 pilots for next season, all 30-min. properties, according to vp Robert Lewine, now negotiating for talent. All pilots will be aimed at network sale, not for syndication . . . Screen Gems has signed Robert L. Jacks Productions to produce 2 series,

HOLLYWOOD ROUNDUP

Desilu Productions Pres. Desi Arnaz is considerably annoyed at NT&T's postponement of its decision on making a firm offer for controlling stock of his TV empire. NT&T's board was to have met to discuss such an offer Dec. 10, but the meeting was postponed until Dec. 22 (Vol. 15:50 p12; 45 p16). Arnaz is said to feel that as long as NT&T Pres. B. Gerald Cantor has publicly confirmed his company's interest in acquiring Desilu, he should make an offer without delay. Desilu's position at a time when sales are being made for next season is made untenable by procrastination. Arnaz and his wife, Lucille Ball, control 565,000 shares or 49% of the stock. NT&T would also buy 35,000 shares owned by exec. vp Martin Leeds to acquire a total of 52%—if the deal goes through.

Screen Actors Guild and the Assn. of Motion Picture Producers, following an exploratory meeting, will resume contract negotiations Jan. 4. Key issue is post-1948 pictures (Vol. 15:48 et seq.). Negotiators told us SAG tried to get an immediate reply from the majors on this, but was put off. SAG also puts high on its priority list a demand for a welfare & pension fund. It's believed the majors will be far more amenable to this than to the post-1948 demands. Meanwhile a proposal for joint negotiations by representatives of all guilds & unions seeking a cut of the post-1948s has been greeted apathetically by some. The idea was put forth by Leith Stevens, pres. of the Composers & Lyricists Guild of America. Writers Guild of America will not attend. Meanwhile, producer Milton Sperling has sold 7 post-1948 movies to Jayark Pictures, but the deal is contingent on his reaching a settlement with the guilds. It also restricts Jayark from releasing "The Courtmartial of Billy Mitchell" until 1970, and some of the product can't be released until 1965. The latest movie in the package, which includes 4 pre-1948s, is "Marjorie Morningstar," made in 1957.

Spartan Productions is preparing a 60-min. comedy series for next season as well as a Western & a private eye. It plans no pilots, will sell them via presentation & its track record instead . . . Magna-Cine International Corp., tape & recording duplicating & packaging firm, plans to build a \$3.5-million audio & video-tape procession, research and printing plant here . . . Screen Gems has named Jim Hardiman of the Disneyland promotion staff as publicity dir., replacing Jerry Hoffman. He was formerly with CBS-TV.

Sheldon Leonard will produce the pilot of *The Andy Griffith Show*. Financing the project are Leonard, Louis F. Edelman, Danny Thomas and Griffith's Griffink Corp., in which Griffith is a partner with Richard Link . . . Milton Berle's Sagebrush Productions will produce 2 pilots for NBC-TV, the first of which will be *Double Jeopardy*, a 60-min. melodrama.

CBS-TV has signed producer Jess Oppenheimer to turn out a new, untitled comedy series. The pilot goes into production in Jan. . . . ITC plans a series, *Mr. Detective*, based on the life of private eye Raymond Schindler . . . Producer Al Simon of Filmways has optioned *Double Take* as a possible series.

20th Century-Fox & ABC-TV are bolstering the loudly criticized 60-min. *Adventures in Paradise* series by the addition of an alternate male star to spell Gardner McKay. Ron Ely will appear in the James Michener 60-min. adventure series every other week beginning "early in 1960."

ORDER YOUR 1959 BOUND VOLUME

We will bind & index all 1959 copies of TELEVISION DIGEST, Vol. 15, including the semi-annual Factbook with all addenda, supplements and special reports. This embossed hard-cover volume—the authoritative record of the television industry in 1959—is available at \$25.00. Orders will be accepted through January 8, 1960.

Television Digest

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WALTER H. ANNENBERG, President

PUBLICATION OFFICE Rodnor, Pa., MURray 8-3940, TWX: Rodnor 102B

JAMES T. QUIRK, Business Manager
 JAMES B. DELEHANTY, Asst. Business Mgr.
 MERRILL PANITT, Editorial Director
 HAROLD B. CLEMENKO, Managing Editor
 DAVID LACHENBRUCH, Associate Editor
 HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyott Building
 Washington 5, D.C.
 Sterling 3-1755
 ALBERT WARREN, Chief
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625 Madison Ave.
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 Plazo 2-0195
 CHARLES SINCLAIR

WEST COAST BUREAU

6362 Hollywood Blvd.
 Hollywood 28, Cal.
 Hollywood 5-5210
 DAVID KAUFMAN

MARTIN CODEL
 Associate Publisher

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Personals: George D. Matson, ex-NBC vp & treas., named to new post of NBC TV network vp-gen. mgr., responsible for business control of TV network activities; John J. Heywood, ex-TV network pricing & planning dir., appointed TV network business affairs dir., reporting to Matson. Successors to Matson & Heywood haven't been named . . . Robert Smith, program dir. of WOR-TV & WOR N.Y., gen. sales mgr. Burton Lambert and WOR gen. sales mgr. William McCormick, named vps of RKO General's WOR Radio-TV div.

Ray L. Bindorf, ex-CBS-TV Spot Sales, named gen. sales mgr., KNXT and CBS-TV Pacific network . . . Herbert R. Hahn, AB-PT PR dir., elected vp . . . William T. Rafael appointed ABC Radio national program dir. . . . Robert Schultis named commercial mgr. of WDSU-TV New Orleans, succeeding Louis Read, now exec. vp & gen. mgr.

Galen Fromme named news mgr., WBAL-TV & WBAL Baltimore . . . William Dubois appointed ITC vp for Chicago office . . . Robert W. Ferguson, exec. vp & gen. mgr., WTRF-TV Wheeling, W.Va., elected pres., Wheeling Area Conference on Community Development . . . Oliver Unger, pres. of National Theatres & TV subsidiary NTA, also assumes duties of exec. vp., Cinemiracle Pictures Corp., new NT&T subsidiary formed to license use of the wide-screen movie process.

Gerald G. Gross elected secy.-general of the International Telecommunication Union, Geneva, succeeded as asst. secy.-general by Dr. Manohar Balaji Sarwate of India. A former FCC asst. chief engineer, Gross has served ITU since 1947 . . . Edward F. Kenehan, ex-chief (1955-57) of FCC's broadcast bureau, leaves Washington communications law firm of Haley, Wollenberg & Kenehan to join Spearman & Roberson there (Munsey Bldg.) as partner; Richard Hildreth promoted to Spearman & Roberson partner. Michael H. Bader promoted to partner in Kenehan's old firm, which is reorganized as Haley, Wollenberg & Bader . . . William R. Tincher, ex-news & special events dir. of radio KSOK Arkansas City, Kan., who joined FTC's legal staff in 1954, has been promoted to new Commission post of associate dir. of litigation bureau . . . John C. Currie, ex-Maritime Administration and ex-FCC, named deputy dir. of Policy & Standards Office, OCDM; Charles A. Brooks, ex-Air Force, appointed deputy dir. of Engineering Office.

KXLF-TV (Ch. 4) Butte returned to air Dec. 9 after repairing fire damage (Vol. 15:46, 49).

Advertising

Life Answers FTC Charge: "Totally unfair"—that was Brown & Williamson's reply last week to charges by FTC (also brought against agency Ted Bates) that TV commercials & print ads for Life cigarets were "misrepresentation" of laboratory facts. (Vol. 15:50 p10). The Bates agency did not comment. NBC-TV, which signed B&W as a sponsor of the *Journey to Understanding* Presidential news coverage, has already persuaded Bates and B&W to soften the sell a bit (particularly in the demonstrations of the "Millicel super filter") but CBS-TV is still carrying the commercials intact (*Mr. Lucky, The Lineup*). ABC-TV is also expected to carry the commercials without change, pending the outcome of the FTC hassle, in which B&W and Bates must file answers before mid-Jan.

Ad People: Charles R. Hook Jr. elected pres., Kudner Agency, succeeding C. M. Rohrbaugh, named chmn. & chief exec. officer; Robert M. Watson, senior vp, elected exec. vp, succeeding Hook; Carl Phares Jr. promoted from secy. & asst. treas. to secy.-treas. & a dir. . . . F. Kenneth Beirn resigned as Revlon ad vp to become General Development Corp. consultant . . . Henry P. Stockbridge and James M. Symington named Y&R vps . . . James R. English Jr. and Alfred A. Lawton elected Kenyon & Eckhardt vps . . . Erwin Spitzer, ex-Kudner Agency vp & merchandising dir., named a Revlon group ad mgr. . . . Bernard G. Rasmussen appointed assoc. media dir., Fuller & Smith & Ross, N.Y. . . . William E. Hatch, senior vp & controller, Ted Bates, elected treas.; Robert J. Preis named asst. treas. & asst. vp . . . Robert F. Steinhoff appointed mgr., N.Y. office of Needham, Louis & Brorby, succeeding Frederick A. Mitchell, resigned.

FTC ban on TV-radio tie-in promotion of products by manufacturers in supermarkets (Vol. 13:43 p8, 44 p3) has been left standing by the Supreme Court. It refused to hear a test-case appeal by P. Lorillard Co. from a Court of Appeals ruling which had upheld FTC's complaint that the tie-in device (by which the manufacturer indirectly pays for chain-store commercials) was illegal because similar arrangements weren't offered to competing stores. Lorillard was one of a half-dozen companies cited by FTC in its 1957 action which involved CBS, NBC and ABC—but not as respondents. Under the promotion plan, a grocery chain agreed to provide in-store displays for products in exchange for free TV & radio time. Broadcasters then sold time to the manufacturers.

Left-handed promotion-dept. compliment of the week: CBS's double-truck salute to Lowell Thomas in Dec. 14 *Advertising Age*. Proclaims the copy: "Not only Godfrey, not only Garry Moore, not only Linkletter—Lowell Thomas is all sold out on the CBS radio network."

New agency, Fladell-Harris Advertising Co. has been formed by Ernest Fladell and Leslie A. Harris, at 352 W. 56th St., N.Y. Fladell & Harris were formerly associated with NTA as ad creative dir. and asst. to the pres.

Station Rate Increases

Station	Base Hour	Minute	Date
WFIL-TV Philadelphia	\$3300 to \$4000	\$880 to \$950	Nov. 1
WEWS Cleveland	1560 to 1700	525 to 575	Sept. 20
WCCO-TV Minneapolis	1600 to 1700	480 to 600	Jan. 1
WTVJ Miami	1200 (no change)	300 to 350	not reported
WOW-TV Omaha	900 to 1000	225 (no change)	Nov. 1
KLZ-TV Denver	800 to 900	250 to 270	Nov. 1
WPBG-TV Altoona, Pa.	800 to 900	180 to 200	Jan. 1
WRAL-TV Raleigh	650 to 750	130 to 150	Jan. 1
KMMT Austin, Minn.	250 to 350	50 to 70	not reported

Trade Report . . .

DECEMBER 21, 1959

REVIEW & FORECAST — 1959-1960

1959 & 1960—RECORD YEARS FOR ELECTRONICS: Every major segment of electronics industry set an all-time high in 1959, and a repeat performance is due in 1960. Factory value of industry sales this year will total \$9.2 billion, 15.8% more than the \$7.94 billion of 1958. And 1960 should see another 12.5% advance to \$10.35 billion.

These are official estimates of electronics industry's manufacturers' association—EIA—which notes that such a year-to-year gain in every industry category has happened only twice in last 10 years (1956 & 1957). And EIA Pres. David R. Hull predicted at week's end that industry factory volume will double in next 10 years—to \$20 billion rate by end of 1970.

Consumer electronics category made biggest 1959-over-1958 gain, with \$450-million increase in factory value of products—a 29% rise—after a \$100-million decline from 1957 to 1958. Further 8% climb is predicted for next year. TV alone accounted for \$145 million of the 1958-to-1959 gain.

Here are electronics industry's dimensions—1958, estimated 1959 and predicted 1960—as compiled (and to be released this week) by EIA:

FACTORY SALES BY U.S. ELECTRONICS INDUSTRY

(Add 000,000 Dollars)

	1958	1959	1960
Consumer products	\$1,600	\$2,050	\$2,300
Industrial products	1,380	1,500	1,750
Military products	4,100	4,500	5,000
Replacement parts, tubes, etc.....	860	1,100	1,300
INDUSTRY TOTAL	\$7,940	\$9,200	\$10,350

1959 TV SALES—ABOUT 5.8 MILLION SETS: It's now obvious that 1959 retail TV sales are going to total just about 5.8 million—the figure, we forecast last October (Vol. 15:43 p16)—up 13% from last year's 9-year low of 5.14 million.

The year will end with total of about 6.25 million sets produced, 20% increase over the 4.92 million made in 1958. Distributor sales will approximate 6.1 million, factory sales a little over 6 million.

These estimates are deduced from preliminary 11-month sales statistics and the 49-week production figures on p. 14, through the application of seasonal weighting to estimate Dec. results (for example, Dec. usually is biggest retail month, accounting for an average of 13.3% of year's TV sales).

Retail sales of 5.8 million makes 1959 the 2nd poorest TV sales year since 1950—at least measured by number of units sold. In dollar volume, TV factory sales this year will total about \$835 million, some \$145 million more than than in 1958. This was a year in which sales were uncomfortably slow during first half, gathered steam later—to provide healthy sales momentum for a better 1960 (see story on p. 14).

For Jan.-Nov., preliminary figures indicate retail sales totaled 5.05 million sets, about 600,000 sold in Nov.—100,000 ahead of Nov. 1958. Sales this month should total 775,000 units if Dec. runs true to form.

TV inventories dropped slightly in Nov. to 2,245,000 sets at all levels—from about 2,275,000 in Oct. and 2,331,000 in Sept. Dealer inventory remained at 1.1 million, factory & distributor stocks declining slightly.

Domestic home radios had a million-unit sales month in Nov.—first of the year—the preliminary figures show. A really good December could bring home radio sales very close to 9 million units for 1960, making it best radio year since 1950, despite intensified competition from Japanese imports. Radio sales in 1959 are expected to total about \$345 million (factory prices).

INDUSTRY LEADERS SEE MODEST RISE IN '60: Next year will be good one for home electronics industry—not sensational, but at least 5% better than record 1959. That's consensus of top TV, radio, phono & component manufacturers and other leading industry figures in our annual forecast-survey.

Those industry leaders willing to go out on a limb and predict unit sales of TV sets next year—and a dozen of them did—saw consumers buying from 6.1 to 6.75 million receivers. Interestingly, half of the forecasters predicted sales of 6.1 million sets next year—up 5% from this year's 5.8 million. This 6.1 million was also rock-bottom—nobody predicted lower sales (see table on p. 15). Top estimate was 6.75 million by Zenith Pres. Joseph Wright.

Home radio sales outlook is for another rise from this year's 8.9 million to somewhere between 9 & 10 million sets, auto radio going up from 5.2 to about 6 million, according to those willing to predict. Most saw slight increases in phono & hi-fi sales.

Over-all consumer electronics estimates jibed pretty well with EIA's prediction that factory sales will rise 8% from this year's record \$2.05 billion to a new all-time high of \$2.3 billion next year (see p. 13).

Highlights of the industry forecasts: Three manufacturers of color-TV sets (RCA, Admiral, Packard Bell) all see expanding market next year, RCA predicting 50% sales hike . . . Complete disagreement whether Japanese radio imports have reached their peak . . . Predictions by 2 tuner manufacturers (Standard Coil & Radio Condenser) of strong activity in FM auto radios next year . . . Zenith Pres. Wright's guarded comment that 1960 may be "threshold year" for Phonevision pay TV . . . Motorola exec. vp Ed Taylor's statement that 1960 may see introduction of a reliable & practical battery portable TV with a screen 14-in. or larger . . . The prefatory remarks by most prognosticators—"barring a resumption of the steel strike."

Texts of individual manufacturers' predictions of 1960 and summations of 1959 begin on p. 15. Additional responses will be printed next week.

	EIA statistics for week ended Dec. 11 (49th week of 1959):				
	Dec. 4-11	Preceding wk.	1958 wk.	'59 cumulative	'58 cumulative
TV	147,985	122,772	97,172	6,024,716	4,671,515
Total radio	367,234	288,755	318,844	14,722,394	10,904,689
auto radio	138,659	62,455	122,994	5,174,282	3,380,103

ELECTRONICS — \$27 BILLION IN '70: The electronics industry's total sales volume will nearly double in the next 10 years. That's the estimate of Sylvania mktg. senior vp Barton K. Wickstrum. He sees over-all total volume rising from an estimated \$14 billion this year to more than \$15 billion in 1960, nearly \$21.5 billion in 1965 and more than \$27 billion by 1970. These figures differ from EIA estimates on p. 13 in that they include distribution revenues (mark-ups). In tabular form, here are his forecasts:

	1960	1965	1970
	(add 000,000)		
Home set sales, & repairs, (inc. replacement parts)	\$5,354.0	\$6,725.0	\$7,475.0
TV retail sales (units)	6.1	8.0	9.4
Home radio sales (units)	9.6	10.7	11.6
Phono factory sales (units)	4.0	4.6	5.0
Renewal picture tube sales (\$)	\$133.0	\$165.0	\$200.0
Renewal receiving tube sales (\$)	\$170.0	\$190.0	\$195.0
Transistor production (units)	131.5	410.0	650.0
Total Electronics Volume.....	\$15,114.0	\$21,475.0	\$27,275.0

Factory sales of transistors continue to increase, EIA reported last week. Oct. sales were up slightly over Sept., to establish a new all-time monthly high, and markedly ahead of Oct. Cumulative dollar sales were more than double those of Jan.-Oct. 1958. The Oct. & Jan.-Oct. sales with comparison figures:

	1959		1958	
	Units	Dollars	Units	Dollars
Sept.	8,652,526	\$20,851,290	5,076,443	\$10,810,412
Oct.	8,710,913	22,109,748	5,594,856	13,461,857
Jan.-Oct. .	66,621,426	176,447,266	35,982,133	83,692,052

(For month-by-month sales, Jan.-Aug., see Vol. 15:43 p. 17)

BBB STINGS 3-CHANNEL STEREO: Those discordant & conflicting channel claims from the highly controversial world of stereo have caught the ear of the National Better Business Bureau. It has studied the Magnetic Recording Industry Assn. definition of stereo, fired off a letter to some 100 component & set makers, questioning: "Can 2-channel stereo properly be described as '3-channel stereo?'"

"We believe that the term '3-channel stereo' should be accurately used to designate 3 separate channels of sound transmission from the source when, as & if, it becomes available for home use," said BBB in part. It appealed to producers to "exercise self-discipline in employing accurate descriptive terminology" in their stereo ads.

"Manufacturers using the '3-channel stereo' designation point out that they have so designed their phonographs as to secure 3 channels of sound by separating the low frequency tones from both stereo channels and having them come out of a 3rd speaker system, with or without a 3rd amplifier," the BBB letter said. Others who add "a 3rd speaker system to their 2-channel stereo phonographs, disdain describing such units as 3-channel stereo. Manufacturers in the group contend that the addition of another speaker system adds another sound outlet, but does not & cannot provide more transmission channels than are on the stereo record, which currently is 2."

And, BBB pointed out, advertising as "3-channel stereo" instruments that have but 2 channels of transmission could "mislead the uninformed public."

Industry Leaders Forecast 1960 Home Electronics Outlook

Texts of Responses in Our Annual Survey on TV-Radio-Phono Prospects

Admiral Pres. Ross D. Siragusa:

Our current TV sales are about equally divided between the 23- & 21-in. sets. By the end of 1960 approximately 75% of Admiral's television sales will be in 23-in. models. We anticipate appreciable increases in the company's sale of television and radio receivers in 1960. In addition to the wide-angle 23-in tube, the political conventions and elections will be important stimuli to sales. Network and local coverage of these major news events has been commendable . . . and should be even better in 1960.

We believe the Japanese sale of transistor radios in this country has just about reached its peak and should begin to level off during 1960. We are more confident of this situation than at any time since the Jap imports started their huge increase two years ago. With our suppliers and ourself completely automated we can now compete more favorably on a cost basis and can produce a better performing product than the imports.

We look for a substantial increase in commercial electronic sales and in the production of equipment for the Armed Forces in 1960. The company has invested heavily in expanding its research and engineering departments during the past two years to obtain more of this business. Color TV will continue to grow, and will expand more rapidly in the next 2 or 3 years than in the last six.

Admiral is in stronger condition today than at any time in the past 4 or 5 years and we believe profits will increase in 1960 at a faster rate than sales. Inventories are at their lowest point in years and our entire factory, distributor and dealer sales organizations are geared for a healthy 1960 operation.

Edgar N. Greenebaum, Greenebaum & Associates (financial consultants), & chmn. of Conley Electronics Inc.:

Factory production of TV sets should increase in 1960 to 6.8 million from 6.25 million this year. Contributing to a much better year will be election-year interest in TV, the general economic uptrend, the increasing importance of the set replacement factor and the good condition of inventories. Radio & stereo sales should also rise, the "3-channel" approach gaining increasing acceptance (although "3-channel" is a serious misnomer and the industry should avoid use of the phrase to eliminate confusion).

Motorola consumer products exec. vp Edward R. Taylor:

TV—I believe the industry will sell 6.5 million sets in 1960, an increase of about 7% over 1959. We expect Motorola to continue to increase its share of the business with sales 20% to 25% higher than in 1959. Consumer purchasing power, now at an all-time high, will increase and the ultimate settlement of the steel strike should remove the reins of reluctance to buy in those areas most affected by the strike. Add to this the growing replacement market for television and you have a bright prospect for TV sales. Motorola is shooting for the number one spot in TV sales and we are going to be much closer to our goal in 1960.

One of the most encouraging trends to us is the up-graded taste of consumers generally for fine furniture. People are tired of looking at "boxes" and the TV set is considered by many people as a quality piece of furniture for their home. This has been reflected in the fact that Motorola's greatest success is in console TV where both

our own line of furniture and the Drexel line of television and stereo consoles have proved so popular. We believe a trend will develop toward more than one console TV for the home.

Portables will always be popular and 1960 should see further strides in "flexibility" of TV viewing through improved home portable sets and perhaps the introduction of a truly reliable and practical battery-operated portable set to be carried outside the home. However, the battery portable will become a permanent addition to America's viewing habits only when the screen is large enough to be viewed by several people at a reasonable distance. Probably anything less than a 14-in. screen is too small.

Stereo hi fi—1960 should witness the "settling down" of the stereo industry. We do not expect that phonographic reproducing instruments will change very much from now on even though there will be continuing refinements. The record industry is now putting out high quality and quantity of stereo records; stereo instruments have achieved true high fidelity, sufficient power, and furniture styling to please the most exacting listening requirements. While there is still a major education job to be done in stereo hi-fi, 1960 should result in a much more mature understanding of stereo by dealers and consumers. I fully expect the stereo industry to show an increase of about 20% in sales and Motorola should further capitalize the momentum of

TV-Radio-Stereo Predictions at a Glance

Those manufacturers whose officials made specific predictions of 1960 industry-wide TV, radio or stereo sales in our survey are listed here with their forecasts:

Motorola—Factory sales of 6.5 million TVs, increases of 20% in stereo, 7% in radio sales.

Muter Co.—At least 6.5 million TVs, 10 million home radios, 6 million auto sets.

Olympic—At least 6 million TVs.

Pacific Mercury—6.2 million TVs.

Packard Bell—6.4 million TVs, 10 million home radios, 1.5 million hi-fi units.

Philco—Modest increase in TV sales, gradual improvement in stereo.

Radio Condenser—Not less than 6.5 million TVs, 10% increase in radio.

RCA—50% increase in color-TV sales.

Howard W. Sams & Co.—More than 6 million TVs, electronics industry up 10%.

Sprague Electric—6.3 million TVs, 10 million home radios, 6 million auto radios.

Standard Coil—6.25-6.5 mill. TVs (production).

Sylvania—6.1 million TVs, 9.6 million home radios, phono production of 4 million units.

Warwick—5%-6% increase in TV sales, 10% hike in stereo sales, radio sales about same as 1959.

Westinghouse—6-6.2 million TVs, 9.5 million home radios, 1.5 million hi fi, 3 million other phonos.

Zenith—6.75 million TVs, improvement in radio & stereo.

Greenebaum & Associates—Production of 6.8 million TVs, gain in radio & stereo sales.

our already established leadership in the stereo hi-fi field. We are shooting for an increase of 50% in stereo sales over 1959's very successful year. Motorola is the leading producer of portable stereos selling for over \$100 and has a substantial lead in console sales on instruments selling above \$300. We plan further additions to our Drexel line of fine furniture for both stereo and TV as well as expansion of our own line of quality furniture for home entertainment products.

Radio—In home radio I believe the industry will increase sales at least 7% over 1959 despite increased foreign competition in the radio field. Motorola is planning a 20% increase in radio sales. Last year we increased our percentage of the market in all categories of radio.

We see an exciting and growing desire on the part of consumers for more FM radio. Motorola has introduced the first FM car radio made by a major American manufacturer and we expect to increase the number, styles, and range of prices for our FM home radio line. 1960 will see further strides toward "broadcast stereo" or multiplexing. We are devoting a good deal of engineering and development in the area of compatible multiplexing instruments to receive broadcast stereo when it comes of age.

●
The Muter Co. Pres. Leslie F. Muter:

We believe that the industry will produce and sell not less than 6.5 million TV sets in 1960, as well as 16 million radio sets, of which 6 million will be automotive.

As soon as the [National Stereophonic Radio] Committee makes its recommendations to the FCC regarding multiplex broadcasting of stereo sound for both radio and TV, we believe there will be a tremendous public response to this new form of entertainment which will also assist both radio and TV.

I think we can look forward to the future with great confidence. The year 1960 should be another banner year with at least 6 million TV units sold at retail. The coming year also should see the emergence of stereo as an item for the mass market, once it is stripped of the technical jargon which has so far succeeded in scaring away the majority of prospective buyers.

●
Olympic Pres. Morris Sobin:

The first 10 years of volume TV operations have been somewhat of a feast-or-famine situation. In the process, I believe, we have learned to recognize and to avoid many of the pitfalls which can be significant barriers to progress. Excessive inventory and runaway costs are perhaps the two most striking elements which need our constant scrutiny. In the years to come we must militantly follow the recent trend towards tailoring our tremendous production capacity to the requirements of demand. This will be a worthwhile achievement and an indication of maturity.

Along with this, many companies have also learned to trim away much of the fat which inevitably gathers during the plush years. It is healthy that we do this for, by cutting all unnecessary costs and frills, we can price our products to better enable each of us to compete for the dollars of our customers. We thereby offer greater value to those customers and at the same time provide room for a legitimate profit for ourselves. This is indeed a further step on our road to maturity as an industry.

●
Pacific Mercury Electronics Pres. Joe Benaron:

My expectations are that the industry will sell [about] 6.2 million TV sets of various combinations.

Packard Bell Pres. Robert S. Bell:

TV sales should increase to 6.4 million units, radio sales to 10 million units in 1960. Hi-fi & stereo hi-fi sales will be equal to or slightly higher than in 1959—around 1.5 million units.

TV gains will be higher in 21- & 23-in. consoles & combinations than in 17-in. table models & portables. Total demand will be greater than the 6.4 million prediction, with an additional 2 million sets going to the used set market. Transistorized TV will play no significant role in total 1960 sales and color-TV volume will increase sufficiently to stabilize prices at current levels.

The prediction of 1.5 million unit sales for stereo hi-fi is based on an evaluation of cumulative sales as total demand. If only half of the some 26 million homes equipped with phonos of some kind switch to hi fi or stereo hi fi, we are a long way from reaching the point of saturation. Manufacturers offering top-quality instruments and popular styling should do more stereo business in 1960 than in '59.

Again in 1960 the radio market will be dominated by portables, which will represent from 45% to 50% of total sales, or upwards of 5 million units.

●
Philco Corp. Pres. James M. Skinner Jr.:

Prospects for the coming year in the home electronics industry look reasonably good, assuming that the steel strike does not recur.

Despite the fact that sales of stereophonic-high-fidelity instruments were somewhat disappointing for the whole industry this year, we expect this field to be important in 1960. The development of stereo as a major business involves a process of education for the consumer who first must have a basic understanding of what stereophonic sound is and how it works before he is sufficiently informed to buy intelligently. Once the public becomes better informed, stereo should develop into a major field and we look for gradual improvement along these lines in 1960.

Radio has been a good business this year and should continue to be good throughout 1960.

The TV industry experienced a fairly good rise this year and for the industry as a whole, we foresee a modest increase during 1960. There is no startling boom looked for in this area but the sales picture may show a slight improvement during the coming year.

Consumer interest in the electronics field as a whole has been kept alive by the publicity given to the military's use of electronic devices and by the new developments in home electronic products which are resulting from industry research, such as transistorized portable TV sets. For this reason, we feel that the outlook for the home entertainment industry is fairly optimistic. We do not look for a boom but do expect 1960 to be a good solid year.

●
Radio Condenser Co. operations vp Russell E. Cramer Jr.:

Please bear in mind that my views are those of a member of the components industry—where to stay in business today, you must be sharp enough to keep ahead of competition as well as your customers' desires to expand and take over your manufacture of components:

TV—It is still my opinion that 1959 will show a sales figure of somewhat less than 6 million sets, but that in 1960 this figure should move up to not less than 6.5 million. Despite the glowing reports of new-size picture tubes and special transistorized portable designs, it looks like the standard table models and consoles will be the big runners and the "Big 6" (Zenith, RCA, GE, Motorola, Admiral and Philco) will continue their frantic efforts to out-

merchandise each other—a task which is difficult to do. Remote control devices will probably be the only really advantageous and salable attractions among the new merchandising gimmicks. Color TV is still “around the corner” for all, due to price and programming.

Home radio—Radio portables & table models, as well as the miniaturized transistor sets, have been selling like hot cakes during the past year. This trend should continue into 1960, with the Japanese still pushing for a larger share of the small, transistorized portable market, but failing to make a dent in any of the other radio markets. Most of the Big 6 radio manufacturers will have competitively-priced, American-made merchandise which is going to give the Japanese distributors quite a headache because it will be branded American, sold American, and will have American quality. (The only items sacrificed will be the margins of profit for the manufacturer and the dealer!) Radio sales in 1960 should exceed sales in 1959 by at least 10%.

FM Radio—FM radios are increasing in sales, and standard AM-FM radio consoles will move nicely in the higher-priced lines as well as in the moderate and low-priced table model series. Next year will see the beginning of a greater usage of American-made FM sets in autos as at least 6 manufacturers are toying with the thought of producing American FM sets for cars.

Auto Radio—1960 should be a banner year for the sale of automobiles, so auto radios should sell in correspondingly larger quantity. Also, with a prosperous year in the offing, customers will buy more ‘extras’ and the percentage of inclusion in all cars sold should be greater. Signal-seek sets will decline except for use in a very few, top-priced lines. The vast majority of sets made will be push-button, with emphasis on better fidelity and greater sensitivity.

Stereo—Stereo is now past its sophomore year, and the first impetus of its development, generated largely by the interest of hobbyists and electronics men, is now being replaced by the enthusiasm of the ordinary music-lover. There is no question but that stereophonic music and sound reproduction is wonderful to listen to in the home, and as new equipment is purchased customers will insist upon the best in high-fidelity stereo.

The dollar-volume sales of stereo should increase in 1960 and I believe we will find that sub-standard merchandise of this nature will have long since been cleared off the market (by the end of the Christmas season) and higher-priced, better-quality merchandise is to be expected for '60.

As we close out the 1959 calendar year, Radio Condenser Co. can look back with satisfaction on a year which has proven quite successful; and forward with well-founded optimism to an even better 1960.

RCA Consumer Products exec. vp P. J. Casella:

Color TV—one of the newest—and radio—one of the oldest—are the 2 “wonder products” in home entertainment as we enter the 1960s. Both have shown excellent sales growth during 1959.

Color sales have climbed steadily throughout the year [and] currently we are running nearly 30% ahead of last year on a week-to-week basis . . . without benefit of cut-price promotions. We foresee a continued upward trend in color-TV sales in 1960 with expectations that next year's sales might well run 50% ahead of 1959.

RCA will sell more radios in 1959 than in any other year in its 40-year history. This is noteworthy due to the fact that more than 90% of all American homes had at least one radio when the year began and that Japanese imports have been very high this year. The Japanese have

not hurt the American radio industry as much as was anticipated. Actually this competition served to stimulate the American industry to come up with innovations, new styling, miniature components and features that make it more difficult for foreign manufacturers to compete.

Stereophonic sound—both from records and tape cartridges—is another field that holds great promise for the future. While there has been some slight confusion due to exaggerated claims of some manufacturers, stereo is just scratching the surface of its tremendous potential. We believe the tape-cartridge system of sound recording & reproduction will have a great future in the 1960s.

Howard W. Sams & Co. Pres. J. A. Milling:

Present indications are that the electronics business for 1960 will run ahead of 1959 by 10% or better. This assumes, of course, that the steel strike will be settled and that the defense program will not be curtailed.

Increased automobile production—practically every auto has a radio—resurgence of the FM business, citizen-band radio, larger screens, more compact and better styled television designs, will all boost sales for 1960. TV production will exceed 6 million units.

Perhaps the greatest single increase in 1960 will come from expanded use of electronics in business & industry.

Japanese imports of small portable transistor radios, transistors, tubes and other electronic components & products will increase in 1960. This competition presents a real problem to the U.S. electronics manufacturers producing for the consumer market. Approximately 5 million small transistor type sets have been imported from Japan in 1959—or more than double the imports for 1958. This continued increase of Japanese imports will naturally reduce the rate of American production of these products. In spite of this competition, the electronics industry will continue to expand and '60 will be at least 10% ahead of '59.

Sprague Electric Chmn.-Treas. Robert C. Sprague:

The home entertainment segment of the electronics industry shared in the strong consumer demand that characterized 1959. Sales of TV sets maintained a steady, high pace, and demand held up particularly well during the normally slow summer months. There is no evidence yet that the steel strike had much effect on the fall selling season, and total sales of sets at retail probably reached 5.8 million compared with 5.1 million under the depressed conditions of 1958. Reflecting the fact that inventories were quite low as the year began, production was up even more—from 4.7 million to approximately 6.2 million sets. Nevertheless, year-end inventories of about 2.1 million sets do not appear unduly high.

I look for a good year in TV in 1960, but in the absence of 1959's inventory rebuilding I would expect production to be more nearly in line with retail sales of about 6.3 million sets. Thus, the outlook is for set production in the 6.3-to-6.5 million range, or slightly larger than in 1959.

This year was also a good one for radios and phonographs. Sales of home sets increased from about 8 million to 9.2 million. Auto radios, benefiting from the sharp recovery in the automotive market, went from 3.7 million to 5.3 million. Total set production was therefore approximately 14.5 million compared with 11.7 million in 1958. Furthermore, in radios as in TV, set manufacturers enjoyed relatively strong demand for the high end of their lines, including good demand for radio-phono combinations.

Prospects for 1960 in radio are generally good. Assuming that automobile production reaches at least 6.5

million cars, there should be a market for about 6 million automobile radios, which together with 10 million home sets would result in the 10-year high of 16 million sets.

One disturbing and largely unknown factor is the extent to which foreign competition may cut into the market for radios. In the first 9 months of 1959, almost 4 million radios—mostly transistorized—were imported from Japan alone and it has been estimated that Japan may currently be accounting for as much as 60% of the transistorized portable market. Studies are underway by the Office of Civil and Defense Mobilization to determine the extent to which imports of transistor radios and of transistors themselves may affect U.S. transistor manufacturers' ability to meet the needs of a national emergency, and the electronics industry will keenly watch developments in this vital area.

On balance, however, the home entertainment market in 1960 should be a good one. Sales in 1959 were approximately \$1.6 billion against \$1.4 billion in 1958, and I believe we can look for a gain to about \$1.7 billion in 1960.

Standard Coil Pres. J. O. Burke:

We are vitally concerned with TV & FM radio. On both of these facets Standard Coil is extremely bullish.

TV sales, in our opinion (barring general economic decline brought on by the steel negotiations), should be quite good in 1960 because: (1) 1958 and 1959 have been subnormal years. (2) Automobile manufacturers are very bullish on car sales for 1960. There seems to be a parallel between the sales of cars and TV sets. (3) TV sets which were sold in much greater abundance in 1952 and 1953 will definitely need replacement before too long. (4) The advent of 110-degree tubes, 23-in. tubes with flatter face and better picture, and the great improvements in wireless remote control, will all play a part in increasing customer demand.

Accordingly, we anticipate TV set production and sales of 6.25 to 6.5 million.

On the question of FM radio, we believe that people are coming more and more to appreciate its qualities whether or not stereo is provided. We also feel that the industry is near a breakthrough on practical use of FM radios in automobiles.

Sylvania Home Electronics Pres. Robert L. Shaw:

The home electronics industry will be in the forefront of a general business upsurge in 1960, barring a serious steel crisis. TV, radio & stereo phonograph sales will show important gains over 1959, continuing the pattern of increased sales and higher profits at all levels of manufacturing & distribution established this year.

This year's TV set sales to the public will show a 12% increase over 1958, reaching 5.7 million sets. Sylvania Home Electronics Corp. will have record TV set sales this year, due in part to our 23-in. bonded shield sets which we pioneered & introduced last June. We estimate industry retail sales will reach 6.1 million sets in 1960 with the 23-in. models playing a dominant role.

The stereo high-fidelity phonograph business is sound & healthy and we look for a 10% increase in industry sales in 1960, factory sales of all phonos rising from this year's 3.9 million to about 4 million units. Some of the confusion in the stereo phono industry has been caused by over-optimistic estimates of the market size and the resultant disappointments when huge gains failed to materialize. One factor has been the lack of sufficient statistical information.

Home radio sales to the public, which will reach 8.9 million in 1959, will jump to 9.6 million sets in 1960.

Warwick Pres. Lawrence G. Haggerty:

I am optimistic about the radio & TV sales picture for next year. I think that all remarks have to be clarified by assuming that we will not have another major steel industry interruption. On this basis, I think that TV sales at retail will be up approximately 5 to 6%. Stereo sales should be up approximately 10%, and radio sales will be about the same as this year.

Westinghouse consumer products vp Chris J. Witting:

It is our opinion that TV receipt sales will range somewhere between 6 & 6.2 million for 1960. Radio sales will reach approximately 9.5 million units in 1960; phonograph sales will reach approximately 3 million; and hi-fi or stereo-hi-fi approximately 1½ million receivers.

The foregoing forecasts are based on the assumption that there will be no resumption of a steel strike and that there will be a continuing retailer confidence in 1960 such as was evident throughout 1959.

Zenith Pres. Joseph S. Wright:

The year of 1960 should be a good one for the radio, TV and high-fidelity set manufacturing industry. We expect that the industry will produce and sell some 6.75 million TV receivers—a gain of at least 10% over 1959.

Radio set sales in 1959 have been exceptionally good, and 1960 should be slightly better. FM in particular is becoming more and more important, and there should be a large improvement in FM sets.

The confusion about stereo is gradually disappearing and, as public understanding and interest grows, sales should improve in 1960.

This year has been an all-time record year for Zenith, and 1960 will be at least 10% better.

The new year will also see some significant new developments in subscription TV and it may be the threshold year for Phonevision, Zenith's system for [broadcast] subscription television. The addition of fine subscription programs will be bound to help both the broadcasting and set manufacturing industry by adding a new dimension of programming of great interest to the TV viewers.

Bills aimed at stopping misrepresentation in TV sales & repairs will be recommended by the N.Y. State Legislature next month by state Attorney General Louis J. Lefkowitz. The 4 measures are designed to: (1) Require that TV ads and labels on sets prominently indicate the model year. (2) Require the label "used" on used, rebuilt, rebranded, repossessed or reconditioned articles for sale. (3) Require appropriate labels on replacement TV tubes not of first quality or rebranded after reconditioning. (4) Prevent servicing by inexperienced technicians.

More new 23-in. sets: Hoffman showed distributors a complete line of remote-control TV sets with a new wireless remote unit which not only turns sets on & off but adjusts picture contrast & brightness automatically according to the light level in the viewing area. The new line of 6 basic models in 23 cabinet variations features a total of fifteen 23-in. units, including 2 lower-priced 23-in. sets at \$269.95 & \$299.95. Motorola's drop-in sets (Vol. 15:50 p16) now being shown to distributors, include six 23-in. sets from \$299.95 to \$430, a 17-in. table model at \$179.95.

Sample shipments of 19-in. square-cornered tube (Vol. 15:50 p15) have been started by independent tube maker National Video Corp. Pres. Asher Cole said the tube was originally developed at the request of Admiral Corp. and that large-scale production will begin early in Feb.

Trade Personals: Al Medica named Admiral TV sales mgr. by Clarence B. Flinn, formerly a regional sales mgr. (Vol. 15:50 p19); Medica is succeeded as radio-hi-fi sales mgr. by Clarence B. Flinn, formerly a regional sales mgr.

Ewen C. Anderson moves into new RCA post of staff exec. vp, reporting direct to Pres. John L. Burns for special assignments. The move apparently paves the way for NBC-TV ad, promotion & PR exec. vp Kenneth Bilby (Vol. 15:47 p10) to move into Anderson's relinquished PR exec. vp post . . . Donald H. Kunsman, pres. of RCA Service Co., Jan. 1 becomes gen. mgr., RCA electronic data processing div., succeeding E. Dorsey Foster, named a vp . . . N. A. Fallow, ex-Emerson Radio of Canada, named sales mgr., Canadian Marconi best. & TV receiver div., succeeding T. P. Kelly, appointed div. mgr.

Edward S. Weyl, International Resistance gen. counsel & secy., elected a vp . . . Alfred di Scipio, management consultant, named to new post of ITT vp & mktg. dir. . . Fritz Bauer, broadcast transmitter manufacturer, forms Bauer Electronics Corp., 1011 Industrial Way, Burlingame, Cal.; Paul Gregg, ex-Gates, Radio, is sales mgr. . . Joseph H. Hannigan, ex-Gabriel, appointed National Co. radar & infra-red communications dir., technical liaison div.

Robert J. Maroni named to new post of mktg. vp, Daystrom defense products group . . . Vinton D. Carver promoted from mgr., Litton Industries' Salt Lake City plant to asst. gen. mgr., tube div. . . Frank H. Wilke named to new post of production engineering dir., military products of the Muter div., Muter Co. . . Rear Admiral Frederick J. Bell (USN ret.), Sylvania industrial & PR senior vp, appointed General Telephone & Electronics Washington vp . . . Frank A. Saikley named Indiana General Corp. asst. treas. & asst. secy.; Portus M. Wheeler appointed sales vp, Indiana Steel Products div. . . Walter E. Peterson, pres., Micro Gee Products, elected WESCON chmn.

Burton R. Lester elected Tung-Sol vp & gen. mgr. of the semiconductor div., Frank J. Ehringer vp for automotive products div. . . John W. Hawthorne, ex-GE closed-circuit sales, named to new position of industrial distribution mgr., GPL . . . Edgar N. Greenebaum, Chicago financial consultant and chmn. of Conley Electronics, returned to his desk last week after being hospitalized as a result of kidney stones . . . William T. Hack, ex-Synco Resins Inc. pres., elected pres. of Audio Devices Inc., former Pres. William C. Speed, becoming chmn. . . Hugh Robertson, Zenith chmn. & chief exec. officer, honored last week in ceremonies marking his 35th year with the company.

TV business is so good that GE is extending the temporary employment period of a group of assembly workers hired last Aug. when an additional product line was put into operation. Original plans called for curtailment in Nov., GE said, but the current production pace now is expected to continue at least into Jan. TV dept. gen. mgr. Herbert Riegelman predicted last week that average employment of production workers at the Syracuse plant next year will be about 15% higher than during 1959.

Individual incomes climbed to a new high in Nov.—an annual rate of \$384.8 billion—the Commerce Dept. announced last week. The figure was \$1 billion above the previous peak annual rate reached last June.

Obituary

Dr. Oliver Ellsworth Buckley, retired chmn. of Bell Telephone Labs, died Dec. 14 of pneumonia in St. Barnabas Hospital, Newark, N.J. He is survived by his widow, a son, 3 daughters and 3 sisters.

Finance

Oak Mfg. Co. reports marked increases in sales & earnings for the 9 months ended Sept. 30. The Chicago-based maker of components for TV, industry and the military also noted that Nov. shipments were 12% ahead of those of Nov. 1958, that Jan.-Nov. shipments were 18% ahead of those in the year-ago period and that backlog is about 50% larger than it was a year ago. For 9 months ended Sept. 30:

	1959	1958
Sales	\$13,458,098	\$11,029,766
Net profit	733,106	359,736
Per common share	1.12	55¢
Common shares	656,129	656,129
For 3 months ended Sept. 30:		
Sales	\$4,308,182	\$3,951,869
Net profit	233,502	221,445
Per common share	46¢	34¢

Collins Radio racked up sizable earnings in fiscal-1960's first quarter ended Oct. 31, recovering smartly from losses suffered in the year-ago quarter. Pres. Arthur A. Collins explained that "the improved trend in sales & earnings noted in the last half of the 1959 fiscal year continued in the first quarter of fiscal 1960. The backlog, including contracts in process of negotiation, continues at approximately the \$210-million level of July 31, 1959." For the first fiscal quarter ended Oct. 31:

	1959	1958
Net sales	\$42,003,394	\$19,550,394
Net income (loss in 1958)	2,024,317	(32,024)
Per common share	1.11	—
Common shares (1959) ..	1,816,954	1,816,954

Allied Radio Corp. of Chicago netted sharp increases in sales & earnings in the 12 months to Oct. 31:

	1959	1958
Net sales	\$30,710,657	\$27,414,808
Net income	1,165,281	828,808
Per common share	1.14	81¢
For quarter to Oct. 31:		
Net sales	\$7,267,617	\$6,623,070
Net income	202,166	188,626
Per common share	20¢	18¢

Dynamics Corp. of America would acquire Anemostat Corp. of America, air-conditioning equipment manufacturer, under a plan submitted to SEC by Securities Corporation General, Columbia City, Ind. Asking for an exemption under the Investment Company Act, the Ind. firm said Dynamics would acquire 77,395 Anemostat shares from Securities Corp. in a deal involving stock transfers and a \$155,820 cash payment.

Lab for Electronics expects that fiscal-1960 sales will double the \$20.4 million volume of fiscal 1959, ended April 24, according to Pres. Henry Harding. In the first half, ended Oct. 23, net profit was about \$423,000 (92¢ a share) on sales of more than \$17 million, compared with a net of \$203,000 (43¢) on \$7.4 million sales in the same 1958 period. Harding said backlog now is about \$50 million.

Stewart-Warner Corp. stockholders have approved a 2-for-1 stock split payable Jan. 12 to stockholders of record Dec. 22. Chmn.-Pres. Bennett Archambault anticipates that the dividend for 1960's first quarter, to be paid in March, will be 30¢ on the new shares.

Most attractive foreign stocks, listed in Dec. 15 *Forbes* magazine, include 5 electrical equipment & electronics issues out of a total of 46 companies: EMI and Elliott Automation (Britain); Philips' Lamp (Netherlands); AEG and Siemens & Halske (Germany).

Collins Radio Co. is now traded on N.Y. Stock Exchange. Symbol: CRI.

Columbia Pictures Corp. foresees increased TV & records income and a 20% gain in movie revenues to produce profitable operations in the 1960 fiscal year ending June 25—compared with the loss suffered in fiscal 1959. Exec. vp Abe Montague said Columbia's Screen Gems subsidiary "continues to show a good profit" and has increased its production & distribution of TV programs in foreign countries. Earlier this year, Columbia entered the broadcast field by acquiring KTVT (Ch. 4) & KDYL Salt Lake City for \$3.1 million from Time Inc. (Vol. 15:45 p12; 50 p6), establishing Columbia Pictures Electronics Co. as its station-operating subsidiary. Montague anticipates that Columbia's movie revenues will reach \$100 million. He said a record dollar volume of movie production is scheduled for the current fiscal year. In fiscal 1959, Columbia reported a net profit of \$151,230, but the profitable showing resulted from \$2,596,615 in non-recurring income from the sale of a studio film lab.

Wometco Enterprises (WTVJ Miami, WLOS-TV & WLOS Asheville, N.C., 46½% of WFGA-TV Jacksonville, South Fla. theater & food vending chain) reports a 32% increase in earnings in an interim 44-week report. Gross & net income were also up for the latest 8-week period. For 44 weeks ended Nov. 1:

	1959	1958
Gross income	\$8,637,394	\$7,562,011
Net income	641,159	486,451
For 8 weeks to Nov. 1:		
Gross income	\$1,581,306	\$1,338,651
Net income	130,853	43,640

Control of Technicolor Inc. is being sought by Eversharp Pres. Patrick J. Frawley Jr., who hopes to name 9 of the board's 12 directors, through a proxy fight if necessary. Frawley said Eversharp and individual Eversharp management members hold a substantial interest in Technicolor and indicated his group hopes to get the firm into the film manufacturing field—to "make another Kodak out of the company." Dr. Herbert T. Kalmus has resigned as Technicolor pres., effective Jan. 18 (Vol. 15:30 p14).

Teleprompter Corp., in a statement filed with SEC, reports a decline in sales & earnings in the 8 months to Aug. 31:

	1959	1958
Gross income	\$2,458,480	\$2,615,328
Net profit	77,288	114,420
Per common share	21¢	32¢
Common shares	362,729	356,591

Famous Players Canadian Corp. net income dropped to \$1,718,233 (99¢ a share) in the 9 months ending Oct. 3 from \$2,084,170 (\$1.20) in the year-ago period. Reflected in both figures are profits on sales of fixed assets: \$248,049 in the 1959 period; \$116,273 in the 1958 period.

Electronics Capital Corp., the publicly-held small business investment company headed by Charles E. Salik, will provide \$400,000 of long-term capital for Cain & Co., the first nationwide electronics sales engineering corporation. Headed by Gerald A. Cain, ex-Neely Enterprises, Cain & Co. will have sales engineering offices in "all major military & industrial marketing areas."

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Amer. Cable & Radio .	A	\$0.30	Jan. 26	Jan. 8
Clarostat Mfg.	Stk.	3%	Jan. 20	Dec. 31
General Bronze	Q	.37½	Dec. 31	Dec. 21
Motorola	Q	.37½	Jan. 15	Dec. 31
Muter	Stk.	5%	Jan. 15	Dec. 31
Storer Bestg.	Q	.45	Mar. 15	Feb. 26
Storer Bestg. "B"	Q	.12½	Mar. 15	Feb. 26

SEC HALTS SKIATRON TRADING: A 10-day suspension of trading in the stock of pay-TV promoter Skiatron Electronics & TV Co. was ordered by the SEC Fri. (18) to prevent "fraudulent manipulative or deceptive acts & practices in connection with the stock." The Commission also announced that it had issued a stop order against a stock registration by Skiatron, challenging its accuracy & adequacy.

Information gathered by its staff tended to show Skiatron's statements "false & misleading," the Commission said in its announcement. "Evaluation of the worth of Skiatron shares is not possible on the basis of the published information." The suspension affects trading in Skiatron shares on the American Stock Exchange and over-the-counter. The Commission's announcement of its action took pains to point out that Skiatron has been promoting pay TV.

"This order grew out of an investigation of a Skiatron Electronics & TV registration application filed to cover shares being sold to or by Matthew Fox," we were told by SEC secy. Orval DuBois. Matthew (Matty) Fox, well-known Hollywood & TV film distribution figure is pres. of Skiatron TV Inc. (not publicly held), which holds U.S. promotion & marketing rights to pay-TV systems developed by Skiatron Electronics.

The 12-year-old Skiatron Electronics firm, headed by Arthur Levey, has been an advocate of a punch-card pay-TV system for broadcast & closed-circuit use. Skiatron of America has been active in seeking franchises for wired pay TV in Los Angeles & San Francisco.

The registration statement which started the SEC inquiry was filed last Sept., seeking registration of 142,242 common shares issued under warrants or options as well as 30,000 shares owned by Pres. Levey to be offered for sale through brokers (Vol. 15:34 p19). Of the 142,242 common shares, 125,000 were to go to Fox who bought 75,000 at \$3 a share and held 1956 options for purchases of 50,000 more, according to the registration statement, which said that 250,000 shares were reserved under warrants issued in an April 1957 agreement with Skiatron TV Inc.

Skiatron Electronics stock sold on the American Stock Exchange for 5¼, up¼ for the day, at 2:30 p.m. Dec. 18 before the stop order.

National Co. expects 1959 sales to climb to a record \$12,750,000 from 1958's \$7,433,813 and produce a profit topping \$287,000—more than double last year's net of \$109,063. Chmn. Herbert C. Guterman said that even on the basis of 720,000 common shares now outstanding, earnings will be greater than the 32¢ a share in 1958 on 307,827 shares then outstanding. He said the Malden, Mass. concern expects "to very shortly make an acquisition which will be of great importance to the company" and that the current order backlog totals \$10 million.

Reports & comments available: Ampex, report, Stern, Frank, Meyer & Fox, Union Bank Building, Los Angeles 14 . . . General Precision Equipment, report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 . . . Indiana General Corp., prospectus, Kuhn, Loeb & Co., 30 Wall St., N.Y. 5 . . . Victoreen Instrument Co., prospectus, Avco, comments, Van Alstyne, Noel & Co., 52 Wall St., N.Y. 5 . . . Magnavox and Allied Radio, comments, The Milwaukee Co., 207 E. Michigan St., Milwaukee 2 . . . Collins Radio, discussion, Francis I. DuPont & Co., One Wall St., N.Y. 5 . . . Bowser Inc., analysis, Shearson, Ham-mill & Co., 14 Wall St., N.Y. 5.

DEC 28 1959

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

SUMMARY-INDEX OF WEEK'S NEWS

1959 IN REVIEW: Summary of the highlights of a historic & turbulent year in TV, prepared as a permanent reference by the staff of Television Digest (begins on p. 1).

Advertising

TV ISN'T WHIPPING BOY—for a change, at FTC's anti-deception rally for consumers. They denounce ad charlatans (pp 5 & 6).

Stations

PAYOLA & INCOME TAXES: Goods or services received by performers are "income" unless they're "gifts"—and Internal Revenue Service looks gifts in the mouth (p. 7).

Film & Tape

BACKGROUND NO. 6: Who's Who of network film-series producers—and how the Hollywood TV industry fared in 1959 (p. 9 et seq.).

DESILU-NT&T NEGOTIATIONS END as Amaz & Ball decide not to sell out (p. 14).

CBS-TV SAID TO BE TIGHTENING creative control by some Hollywood producers; others disagree (p. 14).

ETV

ELECTRONIC COLLEGE CAMPUS is being planned to put 4-year credit curriculum on networks (p. 14).

Manufacturing & Distribution

HOME ELECTRONICS' DIMENSIONS in 1959: Record year in dollar sales saw no records in units, but steady emphasis on quality resulted in higher per-unit prices (p. 17).

SAFETY-GLASS BATTLE continues, as some manufacturers veer toward Pittsburgh's laminated implosion plate for 19-in. sets; Corning "cap" is choice for 23-in. sets (p. 18).

Programming

STILL MORE NEWS SPECIALS are planned by the networks. All 3 will have weekly informational shows in prime-time slots, with CBS-TV the latest to confirm plans (p. 15).

Networks

CBS SETS 2-DAY WASHINGTON MEETING for late Feb. to discuss "public responsibilities" between CBS-TV & its affiliates (p. 16).

Other Departments

CONGRESS (p. 5). **AUXILIARY SERVICES** (p. 14). **PERSONALS** (p. 15). **FCC** (p. 16). **FINANCE** (p. 20).

TV IN 1959: BLOODY, BOWED—AND PROSPEROUS: TV ends its first decade of growth as a mass medium in a crashing climax. In the 10-year period it has firmly established itself as the nation's greatest supplier of entertainment and the most effective ad medium ever known—sets-in-use increasing more than tenfold from less than 4 million to 52 million, while total time sales increased in the same proportion—from under \$100 million to more than \$1 billion and stations-on-air zoomed from a mere 98 to 559.

Success breeds criticism—and also complacency. Rumbblings of open inter-media warfare early in the year presaged an explosion far more serious, which left the industry at year's end temporarily stunned but ultimately alerted and striving toward self-improvement through self-regulation.

Here is our size-up of the climatic TV year of 1959, as reviewed by our Washington, N.Y., Los Angeles and editorial headquarters staffs:

Congress: On always-suspicious, frequently-hostile Capitol Hill, 1959 will be marked indelibly in decade's broadcasting history as black year of considerable trouble for TV & radio. First session of 86th Congress started out with bill-writing bangs against industry & FCC which turned out to be blanks. Deceptive legislative lull followed. Up until end of session, despite "there-ought-to-be-law" talk and many hearings, lull was broken only by enactment of just one of many Senate & House measures introduced—revision of Communications Act equal-time rules which (surprise!) gave more freedom to broadcasters.

But legislators had no sooner recessed, leaving industry in comparative peace & quiet, than quiz & payola scandals exploded in crashing, rumbling roars that will roll down on TV & radio for long time to come. Early-session duds (fizzling from 92-page House report on station-licensing practices and recommending purification) and post-session bombshells (fused by old quiz rumors) were both set off by House Commerce

Committee's quaintly-named Legislative Oversight Subcommittee. It had been set up under Chmn. Harris (D-Ark.) to see whether FCC and all other federal regulatory agencies needed more legislation to help them do their jobs fairly & efficiently. This unexciting purpose was buried under 1959 headlines about fraud & fakery by broadcasters themselves. And at year's end no end of bad time was in sight for TV & radio.

Federal Communications Commission: It was painful year for FCC. Many people, because of their shock at the quiz-rigging scandals, sought to make Commission the scapegoat. It didn't work. Slowly but definitely, Commission acted to avoid the onus, wisely scheduling a big programming hearing during which everyone was free to vent his feelings. The year was a definite turning point in FCC history, as Commission began stricter enforcement of its regulations in those areas where its powers are unquestioned.

In our predictions last year, we said there would be no "ripper" legislation to substitute a new agency for FCC. We were right. We said there would be a law making "influence" attempts a crime. It didn't pass. We stated that Commissioners "will hold up well under additional wild charges from Capitol Hill." We think they did fairly well. Another forecast: "Chmn. Doerfer will continue to try mightily to cut red tape, speed decisions, probably in vain." How true. Still another: "Comr. Hyde will be renominated, confirmed rapidly." Right. Then: "One member will resign to take good job." Wrong. The 1950s produced a drastic relaxation of Commission control, while industry frolicked in the laxity. Both govt. & industry faced the 1960s in state of shocked sobriety.

Network Self-Regulation: Tighter control of programs & practices became part of network way of life in wake of quiz probes, with CBS-TV taking the lead, closely followed by NBC-TV. Both networks created new depts., headed by vps, to watchdog everything from on-air plugs to identification of tape shows, in new era of "complete responsibility" for what is seen on network channels. Conscious of rising tide of criticism, all 3 networks made sharp increases late in year in amount & scope of public affairs programming, including weekly prime-time documentaries, as one way of brightening network TV's social image.

NAB & Industry Codes: To say the least, it was NAB's most challenging year. And overloaded with 1959 challenge were NAB's Donald H. McGannon (Westinghouse Stations) & Cliff Gill (KEZY Anaheim, Cal.). They had their organization's most troublesome & thankless assignments: Running industry's self-regulatory TV & radio committees. When 1959 opened, quiz scandals were little more than gossip-column stories, and esoteric word "payola" wasn't in public's vocabulary. Broadcasting storm signals already were fluttering, however. (As early as Nov. 1958 these pages warned broadcasters of the rising tide of criticism and urged them to "heed & ponder" whether "perhaps something is indeed amiss.")

Biggest single NAB problem facing McGannon when he took over TV Code Review Board chairmanship in March was subscribers' use of hemorrhoid-remedy commercials. As carry-over chairman of radio's Standards of Good Practice Committee, Gill had whisky rebellion on his hands. At painful cost of defections by 48 of 306 TV Code subscribers, Review Board survived Preparation-H crisis. In radio, there were flareups, but no serious spread of revolt by stations against industry's taboo of hard-liquor commercials. Then came quiz & payola hurricanes, and NAB was in center of them. Breasting gales of demands for govt. controls, McGannon, Gill and their committees began shoring up NAB storm shelters with new Code rules against frauds & deceptions on air. They could only hope that these defenses would be enough. Signs of hope: Holdouts from Codes began moving into shelters. TV Code subscriber list passed 300 again. In one 10-day period, 76 more radio stations lined up. New TV Information Office, set up in N.Y. under NAB auspices but separate from it and charged with improving TV's "image" as seen by public, opened shop just as quiz scandals broke. Before year ended, however, TIO was able to ring up Elmo Roper poll showing public had "pretty sane perspective" on mess.

Federal Trade Commission: One year ago we predicted: "Already under hot Congressional fire for not doing enough, FTC will bear down more heavily than ever on fraudulent TV & radio commercials." We said then that FTC's tiny TV-radio monitoring unit would be strengthened, that claims for drugs & cosmetics would be particular 1959 targets. We could have been more right if we had foreseen 2 developments which carried FTC beyond these expectations: (1) Promotion of FTC career man Earl W. Kintner to ad-policing agency's chairmanship, in which—after 11 years of comparative staff anonymity—he set out vigorously to make name for himself. (2) House investigations of TV quiz and TV-radio payola practices, which put FTC on hottest Congressional spot yet.

Kintner already was stepping up FTC's campaigns against frauds in commercials for drugs, cosmetics and other products when House exposes began breaking. Challenged at a hearing to do more to clean fakery from air, Kintner quickly: (1) Ordered monitoring staff doubled. (2) Called network chiefs into extraordinary conference. (3) Moved against payola for first time in FTC's history. (4) Began bringing ad agencies & executives—along with sponsors—into FTC's enforcement sights. (5) Set up close liaison with Justice Dept. on stand-by legal machinery for possible criminal action against advertisers who defy FTC orders—procedure which FTC has rarely invoked. Kintner's motto, stated insistently: "We mean business."

Network Business: Despite blow to network prestige as result of quiz scandals, all 3 networks grew & prospered in 1959. Advertiser spending for time & talent at network level during year is estimated at a record \$733 million. Audience race tightened at night, due to emergence of ABC-TV with lineup of telefilm properties, but CBS-TV still dominated in daytime. Technical triumphs, from advances in video-taping of live specials to transoceanic newsfilm feeds, were many. Little enthusiasm was shown by the networks for the proposed magazine concept.

Advertisers & Agencies: Clients continued to pour advertising dollars into network & spot TV in 1959, with combined year-end revenues expected to hit \$1.5 billion, a 12% gain over 1958, according to TvB. Procter & Gamble was again the top TV advertiser, spending nearly \$100 million in network & spot. J. Walter Thompson was the top air-media agency with TV billings totaling \$110 million. Spot revenues are expected to total \$464 million, a 17% increase over 1958. ANA Chmn. Donald Frost flatly told advertisers they must share the responsibility of repairing TV's battered image (Vol. 15:46 p6). Throughout the year, inter-media rivalry sharpened, with the ANPA launching a "total selling" campaign & MAB aiming a pro-print presentation (Vol. 15:41 p3, 13) in attempts to recapture some of the ad dollars from TV.

Commercials: Video tape became important factor in commercials during 1959, accounting for more than 15% of total non-program TV production of some \$75 million. Film still dominates medium, with its greater production scope & control of elements, but film producers like Elliot-Unger-Elliot, Filmways & others moved into tape realm as hedge. (By year's end, more than 500 TV-tape recorders were in use.) Producers & agencies faced tighter control of hard-sell & demonstration commercials from NAB, FTC, networks & stations late in the year.

Stations' Financial Health: Profit-&-loss returns from TV & radio stations on 1959 operations aren't in yet. But best indicator was NAB's annual poll of "typical" stations (231 TV, 947 radio), taken in mid-year. It showed that median TV business in 1959 was better than in 1958, when profit margin was down, and that radio business wasn't as poor as it had been. Gross 1959 revenues of "typical" TV stations were estimated at \$1 million plus, up more than 7% from 1958, when gross intake went up just 1% and profits dropped slightly from 1957. "Typical" radio station revenues in 1959 were figured by NAB at \$98,600—up 2.5% from 1958, when gross dropped 3.5% and profits 27.4% from 1957.

Allocations: Nothing conclusive. FCC told Senate Commerce Committee what it wanted to do, but it hadn't finished anything by year's end. FCC goals were: (1) Try to get 38 more vhf channels from military, to add to present 12. (2) Provide interim relief by adding Ch. 2-13 assignments in critical markets, via mileage cuts if necessary. (3) New law prohibiting interstate shipment of receivers which can't receive all channels. FCC dickered with military most of year, inconclusively; it considered interim drop-ins, didn't order any; set-control proposition didn't get off ground. Year produced good addition to technical information in form of TASSO's report, which gave details of vhf's superiority over uhf.

There was also introduction of bill to establish a Frequency Allocation Board—a powerful agency to parcel spectrum between govt. & non-govt. users. This started a split in industry. Most telecasters were afraid of it and most manufacturers favored it. No hearings were held, so showdown is yet to come. Last year, we predicted everyone would study allocations. That's what happened—nothing more. The 1950s saw end of the freeze in 1952—resumption of TV grants—after FCC spent almost 4 years determining how to avoid destructive interference and choosing among competing color systems. The 50s produced great frustration of FCC intent—in uhf's failure. Uhf's 70 channels were meant to give TV almost unlimited growth, but end of 1950s found TV still constricted within 12 vhf channels.

TV Station Sales: Some 50 TV station transfers were negotiated during the past year, about the same number as in 1958—but they didn't include blockbusters such as the \$20 million CBS paid in 1958 for WCAU-TV (Ch. 10) & WCAU Philadelphia (Vol. 14:30 p2). This year's top price was the \$6.5 million paid for WPRO-TV (Ch. 12) & WPRO Providence by Capital Cities Television Corp. (Vol. 15:11 p5). Also in Providence, Joseph S. (Dody) Sinclair claimed victory in 11-month battle to keep WJAR-TV (Ch. 10) & WJAR Providence from being sold to William Zeckendorf & John C. Mullins (Vol. 15:45 p12). Second highest price for year was the \$5.6 million paid for WSOC-TV (Ch. 9) & WSOC Charlotte, N.C. by James M. Cox group (Vol. 15:15 p11). Five other transactions involved more than \$3 million each. Lowest price was the \$137,500 paid by R. G. Jolley and associates for 90% of KSHO-TV (Ch. 13) Las Vegas (Vol. 15:45 p10).

New Starters: This was slowest year for new TV station starts since freeze-end year of 1952. Only 24 new outlets went on air, 4 more than we predicted last Dec. (Vol. 14:52 p2). Ten of these were non-commercial educational outlets, including Michigan State U.'s WMSB Onondaga-Lansing, which shares Ch. 10 with commercial WILX-TV (Vol. 15:11 p8). Not included in our count are 3 uhf stations which resumed operation under new owners. (For list of 1959 U.S. & Canadian starters and stations which went off air, see p. 7.)

TV Film Production: TV film is finishing a paradoxical year which has been its most prosperous financially and probably its poorest for innovation & excitement. Telefilm firms are hitting a record production total of \$140 million—a sizable growth since the industry's initial recognition in 1951. But airwaves, cluttered with look-alike Westerns, private eyesores and generally unimaginative programming from the merchants of film, give pause for thought. There were about 40 shows canceled last spring, and this suprised few TV executives in Hollywood—nor did it deter them from turning out more. Major-studio film companies' TV operations generally had mediocre track records. All in all it was a turbulent year (see p. 9). While telefilm producers are concerned with continued rise in production costs, focal point of Hollywood labor disputes in 1959 was the future of post-1948 movies. There was a hardening of stands by both sides.

The major film studios are determined not to let the talent guilds share in any part of the revenues from sale of post-1948 movies to TV. And the guilds are just as determined to get some of that money. No easing of these positions in the labor crisis is anticipated. The majors will sell—it's only a question of when. They will not pay the guilds and this will bring on a strike against the majors. It's a complex situation, with legal, ethical and financial undertones, and no authority in Hollywood professes to see a solution.

Syndication: Syndicated telefilms grossed \$80 million in the U.S. in 1959. Feature films added another \$40 million, although supply of major-studio pre-1948 & independently produced post-1948 movies is dwindling and prices are high. Overseas syndication gained in importance during 1959 & added at least 10%-20% to value of U.S. market. Tape program syndication began this year, but is still in its infancy.

Boosters & Community Antennas: Grass roots really stirred Senate on these. FCC was forced to come out with proposal to legalize vhf boosters. It declined to get into business of regulating CATV, leaving basic move up to Congress. Battle between CATV operators and coalition of some Western telecasters & booster operators left both camps near exhaustion.

Last year, we predicted that bills would be introduced requiring FCC to regulate CATV but they wouldn't become law, that number of CATV systems would increase slightly, that number of subscribers would grow rapidly, that FCC would put crimp in microwaves serving CATV in communities with stations. By and large, those forecasts held up well. We said that "firm engineering standards" would be imposed on boosters; well, they were proposed, anyway. We thought uhf translators would triple (from the 146 operating then). Wrong—only 186 now. The 1950s covered birth & adolescence of both CATV & boosters. Both were fathered by the great freeze of 1948-1952 during which no new stations were authorized—while hinterland folk yearned for the pleasures of this exciting new service. Now, these auxiliary devices bring TV to several million who could get it through no other economical means.

Closed-Circuit TV: Business-&sales-meeting closed-circuitcasts led the list of the medium's uses in 1959 although non-broadcast hookups were used for everything from the Patterson-Johannson fight to a U.S. govt. surplus auction. Smaller manufacturers like Eagle Pencil Co. joined industrial giants such as Ford Motors, GE & IBM in staging multi-city TV sales hookups, reaching distributors & clients "for as little as \$4 a head." TNT Telesessions, TelePrompter & NBC Telesales accounted for vast majority of activity, with TNT claiming \$2.75 million in billings, TelePrompter claiming \$.25 million (including the championship bout).

Educational TV: As in every year since U. of Houston's venturesome KUHT went bravely on ETV air in 1953, it was year of great hopes—and sharp frustrations—for commercial TV's poor cousin. On up side, biggest development of year—and in it ETV literally started soaring—was start of \$7-million 6-state project by Midwest Council on Airborne TV Instruction. Revved up by \$4.5 million from Ford Foundation (ETV's principal angel), MCATI confidently scheduled ETV flights for Sept. 1960. And at year's end Learning Resources Institute announced multi-million-dollar plans for TV-radio-film research center at Princeton, N.J., to produce ETV courses for CBS, NBC & ABC. On ETV's down side, biggest disappointment was Congressional failure—for second session in row—to pass \$51-million-Federal-aid-to-ETV bill by Sen. Magnuson (D-Wash.). Senate again approved measure, House again let it die. National Defense Education Act meanwhile provided \$3 million in govt. grants for audio-visual research.

ETV made steady if unspectacular progress in 1959. Number of operating stations grew by 10 to 44 among 259 channels (171 uhf) reserved by FCC. Construction got under way on half-dozen more ETV facilities; at least 9 additional communities were in advanced ETV planning phases. National ETV network still was dream, but regional hookups were operating or in prospect in half-dozen states. And National Educational TV & Radio Center set up next best thing to national network—ETV tape operation made possible by \$2.5-million order to Ampex for Videotape recorders to equip most educational stations.



What does 1960 hold in store for TV? Our staff—whose forecasting batting average in the past has been quite high—will go out on its annual limb next week with its predictions for the new year. (For a summary of the home electronics business in 1959, see story on p. 17.)

TV ISN'T WHIPPING BOY—FOR A CHANGE: Federal Trade Commission, which has been in forefront of clean-up-or-else attacks on TV & radio frauds (Vol. 15:51 p6), carried its truth-in-advertising crusade into public indignation rally last week. For broadcasters, biggest & best news coming out of it was that they escaped being tagged as villains again.

Fast-buck boys, gimmick guys and bait-&-switch artists who victimize public were targets of outraged protests at pack-jammed anti-deception conference in Washington's FTC Bldg. (see p. 6). But spokesmen for half-hundred national civic & consumer groups who participated in 2-day sessions voiced no denunciations of broadcasters—and little criticism of TV & radio as such.

NAB's TV Code even came in for praise as example of self-restraining device adopted by advertising medium to help to keep it honest. "Responsibility lies heavily on the business community for obedience to the law," said FTC Chmn. Earl W. Kintner in summarizing proceedings of rally. He pointed with approval to Code Review Board Chmn. Donald H. McGannon's Dec. 18 presentation at FCC program hearing (Vol. 15:51 p1) as sample of what one sector of business community can do to improve itself.

Quiz & payola scandals haven't necessarily been replaced by something else as topic "A" in Washington. But NAB's TV Code staffer Harry H. Ward, who sat in on consumer conference as observer for industry, came away pleased that nobody displayed animus against broadcasters, that TV & radio weren't made whipping boys for sins of out-of-order hucksters. "It was extremely rewarding," he told us.

Congress

CATV-booster hearings in Casper, Wyo. Dec. 15-16, conducted by Sen. McGee (D-Wyo.) of the Senate Commerce communications subcommittee, brought a large turnout. Testimony, similar to that gathered by Sen. Pastore's (D-R.I.) recent Western swing (Vol. 15:44 p9), objected to some of the Commission's specifications—notably the 1-watt ceiling. Station operators again stressed that their greatest objection to CATV is that it can bring in, to compete with local stations, programs unavailable to local stations until later dates—making the stations "second-run theaters." CATV operators insisted that proposed legislation to regulate them is harsh & unnecessary. Though Senate Commerce Committee has served notice it will be hot about TV programming when Congress returns

in Jan. (Vol. 15:47 p5), the CATV-booster subject will not be shoved aside by any means. It's a natural grass-roots issue for many Western Senators. Illustrative of the intensity of feelings in the West was testimony of a CATV-booster feud in Sheridan, Wyo., presented during McGee's hearing. A booster operator found his signal jammed, said he traced it to the home of a CATV engineer, whose wife met him at the door with a shotgun. The CATV operator testified bitterly about the frequent cutting of his cable. But the incidents occurred 2 years ago, and there have been no serious flareups since.

Radio signal experiments to determine properties of the ionosphere will be conducted by the National Bureau of Standards under a new \$130,000 contract with the National Aeronautics & Space Administration.

Advertising

More about

CONSUMERS SPEAK UP: FTC's precedent-making Chmn. Earl W. Kintner last week staged a no-holds-barred, everybody-speak-your-piece rally for representatives of the buying public against advertising & merchandising frauds—and the broadcasting media stood up well under the fireworks (see p. 5).

In the first such anti-deception conference for consumers in FTC's 44-year history, spokesmen for more than 50 national organizations in civic, welfare and labor fields jammed into the FTC Bldg.'s room 432 to voice their gripes and get advice on how to recognize chicanery.

Kintner, following up his recent meeting with network chiefs (Vol. 15:48 p1) and his foray against payola (Vol. 15:51 p6) in FTC's stepped-up campaigns against "trickery in the market place," said at the outset of the 2-day sessions that his agency will "carry a very big stick" of anti-fraud enforcement. He ended the meeting by calling on all U.S. business to take responsibility for ridding itself of questionable practices. Citing NAB's moves to toughen TV & radio codes (Vol. 15:51 p7), he singled out broadcasting as one industry which is trying.

Purpose of the special meeting, Kintner said, was to cement closer relations between consumers & govt. FTC can count on complaints of advertising frauds to pour in from business competitors as well as consumers, he said—"but the most persuasive voice of all" is the consumer's.

There were suggestions at the conference that FTC set up a permanent advisory citizens' group to aid in ad-policing, and Kintner promised to give them "careful consideration." He also said he expects the Bureau of the Budget to endorse a "substantial increase" in FTC's budget, which now allows relatively little money for monitoring of TV & radio commercials.

Summaries of Statements

As for consumer spokesmen themselves, these were some of the brickbats (mixed with bouquets) they tossed out in the conference free-for-all:

Victor H. Nyborg, pres. of the Assn. of Better Business Bureaus: "Sinister, vicious" fictitious pricing & bait advertising practices are "by no means licked," although they aren't as bad as they once were. Newspapers are on the alert (a survey of 219 of them showed they turned down \$8 million worth of unacceptable ads in 1958, he said) and "broadcast media, the local radio & TV stations, likewise endeavor to police the airwaves. And it should be recognized that NAB has done much to eliminate certain types of advertising."

Colston E. Warne, Consumers Union pres.: FTC is stumbling along with "grossly inadequate funds" to guard the consuming public against gyps. The Justice Dept. should get more money for anti-monopoly prosecutions, too.

Dr. Richard L. D. Morse of Kansas State U., speaking for the American Home Economics Assn.: FTC has been "late in taking action," but it's getting more aggressive and consumers may take hope.

Stanley Ruttenberg, AFL-CIO research dir.: What's needed, among other things, is a cabinet-level govt. consumers' dept. Meanwhile, tougher legislation on advertising frauds ought to be passed by Congress. Swindlers thrive among the nation's 4 million unemployed, who are "all too tempting targets" for "help-wanted" rackets.

Edward M. Lockard, Baltimore Better Business Bureau mgr.: Greater coordination between govt. & private groups

is needed for protection against phony advertising. But their approach "should be completely constructive." Otherwise, there is danger of "creating a national neurosis that would cause the feeling that all advertising is suspect."

The consumer conference also heard from FTC staffer Daniel J. Murphy, who gave a lecture on characteristics of advertising & sales tricks, and from Chmn. Raymond Saulnier of President Eisenhower's Council of Economic Advisers, who had first suggested such an FTC meeting. He called for price restraints by industry, wage restraints by labor. "Sometimes when I walk through the shops I wonder if I'm being asked to buy something or purchase an equity in the business," Dr. Saulnier said.

* * *

Sins of advertising can be exorcised by more cooperation by the industry with existing govt. agencies and the Better Business Bureau, exec. committee Chmn. Fairfax M. Cone of Foote, Cone & Belding said in a year-end statement. Citing FCC, FTC, Food & Drug Administration and Post Office Dept., he said, "The cause of truth in advertising already has all the organizations it needs . . . The problem of dishonest & distasteful advertising is not going to be solved either by gentle pressure from the side of the angels or the slow processes of education. And to try to ignore it as a small percentage of all advertising is to be insensitive to right & wrong. The amount of bad advertising is large and it is not diminishing. The only unknown is why the people who could kill it let it live." Pointing out that many newspapers & magazines insist on proofs of advertisers' claims, Cone said that "all the other reputable publishers & all the broadcasters could, too."

In Other Media: Newspapers' deceptions & deficiencies in reporting local & world news were blasted by *Washington Post & Times Herald* editorial page editor Robert H. Estabrook at the U. of Mich. Some deceptions noted by Estabrook: staging photos, manufacturing news via opinion stories, camouflaging the origins of news, inflating speaker's words beyond their meaning . . . Record ad revenue of \$97,614,442 was reaped by *SatEvePost* in 1959, up 11.4% from 1958's \$87,631,791. Sister-publication *Holiday* established revenue & lineage records with its Jan. 1960 issue: \$773,978 & 62,226 lines . . . Dollar & page gains also were notched by *Life*: 1959 ad revenue rose to \$134,300,000 from \$122,600,000 in 1958 on an increase in ad pages to 3,666 from 3,412.

U.S. partners in Nigeria's first indigenous advertising agency, set up to handle accounts in TV, radio, print, outdoor, direct mail and screen media, is sought by managing dir. A. Megafu of Nigerian Advertising Service Ltd., 7 Brown Lane, Ikorodu Rd., PMB 2280, Lagos. The new firm in Nigeria wants capital participation & technical assistance in exchange for a partnership.

New reps: KOTV Tulsa to H-R Television Jan. 1 from Petry. WHTN-TV Huntington to Blair Television Associates Jan. 1 from Petry. WSWA-TV Harrisonburg, Va. to H-R Television Nov. 1 from Petry.

Ad People: Edward Bodensiek, Irwin C. Roll named Fuller & Smith & Ross vps; Norval LaVene, Frank McKibbin, Donald McKenzie, H. O. Nelson and A. Hayes Busch named vps in new Los Angeles office (Vol. 15:50 p11) . . . Sheldon B. Sosna, ex-Grant Advertising, Chicago, named Doherty, Clifford, Steers & Shenfield vp.

Stations

PAYOLA & INCOME TAXES: Disc jockeys, actors, writers and other broadcast employees are being fired for taking payola & plugola, but that isn't all of their troubles. The Internal Revenue Service is giving special attention to their income tax returns, though IRS refuses to admit it because it's forbidden by an "anti-disclosure statute."

There's no question in anyone's mind that monetary income from any source must be reported. What isn't so well known is IRS policy on acceptance of goods & services.

We asked an IRS specialist for clarification. Basic policy is this: If the goods or services are given in return for services rendered or anticipated, they're income and must be reported. Here's an example given by the spokesman: "Suppose I have 5,000 records in my home. Will any record manufacturer give me some loot to play his label? Of course not."

Suppose the performer insists that the goods are "gifts." Gifts aren't income, needn't be reported. However, the performer must face the possibility that IRS will take the case to court; the job then is to convince the jury.

Suppose a regular advertiser, not a sneak-commercial outfit, carpets an announcer's home or equips his kitchen so that the announcer can do a "better job" with his commercials. Nothing doing, says IRS, it's still income:

"That's like saying that all the manufacturer's research is hogwash. Furthermore, a product doesn't have salability because some personality used it. There are cigaret ads [with] endorsements by celebrities who never smoke!"

If the product is "on loan," it makes no difference. If a car is loaned, and IRS considers it income, it would gauge the amount by finding out what car rental services would charge. The same applies to all products.

What happens if you goof? The mildest punishment is simply the payment of back taxes plus 6% interest. The worst: 5 years imprisonment, \$10,000 fine, plus costs of prosecution—plus, of course, the back taxes & 6%.

* * *

"Payola Week" was plugged by radio WNTA Newark in an out-&-out solicitation for funds—for the Salvation Army Christmas Fund. In a week-long campaign, listeners were invited to coax WNTA DJs into playing favorite records with checks payable to the Army.

International Telecommunications Union concluded its conferences in Geneva Dec. 21, and U.S. delegates report they're pleased with results—none of which have any impact on U.S. TV, AM or FM allocations. Of the large U.S. delegation, FCC Comr. T.A.M. Craven is due in U.S. Jan. 11, at his desk Jan. 15, and Comr. Rosel H. Hyde is scheduled to return "in early Jan," according to their secretaries. No significant change in foreign TV or radio allocations is indicated by the agreements signed by 89 nations, representatives of which have been meeting since Aug. 17. Among the important provisions of the new agreements are allocations for space communications and radio astronomy.

NLRB cease-&-desist order in an unfair labor practice case instituted by the Asociacion Puertorriquena de Artistas has been agreed to by *El Mundo's* WKAQ-TV, San Juan. The station stipulated that it would not discourage union activity by its staffers and would reinstate dismissed employe Russell Torres with \$2,500 back pay.

RCA shipped 2-kw transmitter Dec. 17 to WLBT (Ch. 3) Jackson, Miss. planning move to 12 mi. SW of city.

TV Stations Starting During 1959

With List of Those Which Left Air During Year

Listed in order of on-air and off-air dates

TV STATIONS STARTING

Call Letters	City & State	Channel	Date	Net-work
†KOED-TV	Tulsa, Okla.	11	Jan. 12	—
†KOKH-TV	Oklahoma City, Okla.	25	Feb. 2	—
†KVIE	Sacramento, Cal.	6	March 2	—
†KUAT	Tucson, Ariz.	6	March 8	—
WILX-TV	Onondaga-Lansing, Mich.	10	March 15	NBC
†WMSB	Onondaga-Lansing, Mich.	10	March 15	—
†WQEX	Pittsburgh, Pa.	16	March 20	—
†WNED-TV	Buffalo, N.Y.	8	March 30	—
WCHU	Champaign, Ill.	33	April 24	*
†KDPS-TV	Des Moines, Ia.	10	April 27	—
KPLR-TV	St. Louis, Mo.	11	April 28	None
WTOM-TV	Cheboygan, Mich.	4	May 16	NBC
†WENH-TV	Durham, N.H.	11	June 22	—
KTLE	Pocatello, Ida.	6	July 4	NBC
KHTV	Portland, Ore.	27	July 6	None
WAFB-TV	Huntsville, Ala.	31	Aug. 1	ABC
WDAM-TV	Laurel, Miss.	7	Sept. 3	NBC & ABC
KXGO-TV	Fargo, N.D.	11	Oct. 11	ABC
†WMUB-TV	Oxford, O.	14	Oct. 14	—
KOMC	McCook, Neb.	8	Oct. 16	**
WABG-TV	Greenwood, Miss.	6	Oct. 20	CBS
KND0	Yakima, Wash.	23	Oct. 15	ABC
KVUE	Sacramento, Cal.	40	Nov. 1	None
KLYD-TV	Bakersfield, Cal.	17	Nov. 8	ABC

† Educational, non-commercial outlet. * NBC-TV & ABC-TV from parent WICS Springfield, Ill. ** NBC-TV from parent KCKT Great Bend, Kan.

TV STATIONS LEAVING AIR IN 1959

Call Letters	City & State	Channel	Off-Air	Net-work
KXLJ-TV	Helena, Mont.	12	Feb. 5	1
WXIX	Milwaukee, Wis.	18	March 31	CBS
WFAM-TV	Lafayette, Ind.	56	May 15	CBS & NBC
KULR	Kalispell, Mont.	9	May 27	CBS & NBC
KSPR-TV	Casper, Wyo.	6	July 21	CBS
KTES ²	Nacogdoches, Tex.	19	Aug. 25	ABC
WBPZ-TV	Lock Haven, Pa.	32	Sept. 4	ABC
KHTV	Portland, Ore.	27	Nov. 1	None

¹ ABC, CBS & NBC from parent KXLJ-TV, Butte, Mont. ² Plans to resume operation Jan. 15, 1960 with completion of microwave for network pick up.

OFF-AIR TV STATIONS RESUMING OPERATION IN 1959

Call Letters	City & State	Channel	Re-sumed	Net-work
WHCT	Hartford, Conn.	18	Jan. 24	None
WXIX	Milwaukee, Wis.	18	July 20	None
WFAM-TV	Lafayette, Ind.	18 ³	Nov. 15	CBS
KXLJ-TV	Helena, Mont.	12 ⁴	Aug. 6	see ¹ above

³ Formerly Ch. 56. ⁴ Returned to air after owner Ed Craney was successful in keeping Helena CATV system from carrying programs of out-of-state TV stations (Vol. 15:33, 36).

1959 CANADIAN TV STARTERS

Call Letters	City & State	Channel	Date	Net-work
CJDC-TV	Dawson Creek, B.C.	5	Jan. 15	CBC
CBYT	Corner Brook, Nfld.	5	June 18	CBC
CHAB-TV	Moose Jaw, Sask.	4	July 7	CBC
CJSS-TV	Cornwall, Ont.	8	Oct. 18	CBC
CJCB-TV-1	Inverness, N.S.	6	Nov. 8	⁵
CBAFT	Moncton, N.B.	11	Dec. 21	CBC

⁵ CBC from parent CJCB-TV Sydney, N.S.

TV quiz scandal was chosen as 5th biggest news story of 1959 by both AP editors & UPI newspaper clients. Both polls picked Khrushchev's visit to U.S. as the No. 1 story, the Russian moon rockets as No. 2. AP editors selected Castro's ouster of the Batista regime as No. 3 and the steel strike as No. 4, UPI's survey naming the same 2 stories as 3rd & 4th but in the reverse order. AP's poll named Charles Van Doren as the year's top newsmaker in the entertainment field.

New & Upcoming Stations: CBAFT (Ch. 11) Moncton, N.B., CBC's third o&o French-language outlet began operation Dec. 21, joining CBFT (Ch. 2) Montreal, Que. & CBOFT (Ch. 9) Ottawa, Ont. One of several low-power outlets planned by CBC, CBAFT has RCA transmitter & 6-slot wavestack antenna on 128-ft. tower. As microwave connection with French network via Rimouski, Que. won't be ready until Jan. 1, 1961, live French network programming will be available only from 4-6:15 p.m., Mon.-Fri., when station will use present English microwave facilities of privately-owned KKCW-TV (Ch. 2) Moncton. Remainder of programming will consist of kines & film and local shows. CBAFT is CBC's 8th o&o, Canada's 63rd outlet. Without a single U.S. grantee attempting to get on the air before Christmas—for first time since 1952—U.S. on-air total remains unchanged at 559 (85 uhf).

* * *

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

KNBS (Ch. 22) Walla Walla, Wash. expects to start Jan. 3 with ABC-TV, reports Warren L. Gray, pres.-gen. mgr. & 32% owner. It has a 12-kw GE transmitter and a 100-ft. guyed Utility tower with helical antenna on Pike's Peak. Base hour is \$250. Rep is Weed.

WGTV (Ch. 8, educational) Athens, Ga. has a tentative March 1 programming target, reports chief engineer Edward Graham for grantee U. of Ga. Walls & roof are up for a building to house a 25-kw RCA transmitter scheduled for Jan. 1 delivery. Stainless 1000-ft. tower, half way up, will have superturnstile antenna. The station will be part of \$2,500,000 Center for Continuing Education.

WJPB-TV (Ch. 5) Weston, W.Va. plans to begin programming March 31 with ABC-TV & CBS-TV, writes J. Patrick Beacom, pres.-exec. dir. and 50% owner. Option for the other 50% has been exercised by Pittsburgh Pirates vp Thomas P. Johnson on behalf of Telecasting Inc., licensee of off-air WEWS Pittsburgh, which paid \$200,000 for its share. Beacom states it is the first commercial CP to be awarded for a channel formerly reserved for educational use. WJPB-TV plans to offer ETV 10-15% of daytime hours, with 3-man committee of W.Va. educators advising on this phase of the operation. It will use GE transmitter & Blaw-Knox tower on Fisher Summit. Studios in new 2-story building at 400 Quincy St., Fairmont, are ready; an auxiliary studio will be built at the transmitter site. Numa Fabre Jr. will be commercial mgr.; J. C. Strelauski, engineering dir.; Byron Parrish, programming & film dir.; Phil Bracken, news dir. Gil-Perna will be rep.

WIPM-TV (Ch. 3) Mayaguez, P.R. has an RCA transmitter on hand and still hopes to meet its March programming target as a non-commercial outlet, reports R. Delgado Marquez, mgr. of WIPR-TV (Ch. 6, educational) San Juan, which is also owned by P.R. Dept. of Education. It has ordered 202-ft. Ideco tower.

KTWX-TV (Ch. 9) Sheridan, Wyo., expecting to start next summer, has ordered a 500-watt RCA transmitter for delivery in 60 days, reports Pres. Burt I Harris, also pres. of Harriscope Inc., TV producer & packager. Building construction hasn't begun as yet, but plans are to use a 115-ft. Ideco tower. KTWX-TV owners also operate KTOW-TV (Ch. 2) Casper, Wyo. Rep will be Meeker.

KSOO-TV (Ch. 13) Sioux Falls, S.D. expects to receive 25-kw RCA transmitter in Feb., but hasn't set definite target according to Pres. Morton H. Henkin. Foundations have been poured for studio-transmitter building and base has been excavated for tower. It expects to be affiliated with NBC-TV. Rep not chosen.

Sale of balance of KGMB-TV & KGMB Honolulu, along with KHBC-TV & KHBC Hilo and KMAU-TV Wailuku, from Hialand Development Corp. to Honolulu Star-Bulletin Ltd. (which had held 24.55%), for \$2,354,066, has been approved by FCC. The Commission's conditions require that: (1) "Herbert M. Richards dispose of (a) his directorships and any other interests in *Honolulu Star-Bulletin* and in the Hawaiian Trust Co. Ltd., or (b) his stock interest & creditor interest in Radio Honolulu Ltd. (KONA-TV) Honolulu, by sale to someone not in family or business privity with him of all stock in said licensee and of all of the debentures of said company presently owned by him; and (2) Robert R. Midkiff dispose of (a) his officer & directorship interests in the Hawaiian Trust Co. Ltd. or (b) his directorship in Advertiser Publishing Co. Ltd. (AM station KGU) Honolulu, and the owner of about 49% of stock of Radio Honolulu Ltd. (KONA-TV) Honolulu."

Wildest financial statement of the year has been submitted by WICC-TV Bridgeport (Ch. 43), which claims to be both viewerless & "the poorest station in the U.S." It backs its claim by reporting a gross of only \$1,900 for Jan.-Oct. More devastating, it broadcast 20 announcements during prime evening time one week offering \$100 to the first viewer who called. "Not one viewer called in," reports gen. mgr. Russell F. Adams. Smoke-screened by this spotlight on failure, however, was the real story: uhf WICC-TV's continuing fight to get a vhf drop-in. "We put out this release to dramatize the impossibility of a uhf station in a market served by 9 vhf stations," Pres. Kenneth M. Cooper told us. "It costs us \$20,000 a year to keep WICC-TV going," he said, "and we exist only because we have a very profitable radio station." He said radio WICC has the odd distinction of offering rates 3½ times higher than those of its TV sister. Cooper said WICC-TV has lost some \$500,000 since it began operations in 1953, but will continue to operate and press for a vhf channel.

Board of Broadcast Governors has extended its committee operations within the Canadian TV & radio industry. First it started with a consultative committee on private broadcasting, covering all stations privately owned & operated. Now it has set up a consultative committee on public broadcasting with membership from the government-owned Canadian Broadcasting Corporation and the BBG. Another, the consultative committee on advertising, brings together representatives of BBG, CBC, Assn. of Canadian Advertisers, Canadian Assn. of Ad Agencies, and Canadian Assn. of Broadcasters. BBG Chairman Dr. Andrew Stewart says the 3 committees will be clearing houses for ideas and problems to let everyone see all points of view and seek the best solutions. The committees are strictly unofficial & advisory, but will serve to bring the regulator & the regulatee together to swap views.

Site shift of KBAK-TV (Ch. 29) Bakersfield, Cal. will go to hearing, FCC ordered, following the protest by KLYD-TV (Ch. 17). KBAK-TV planned to move from 6 miles N. of Bakersfield to Breckenridge Mountain, 24 miles ENE, hike power from 19.2 to 120 kw, height from 630 to 3,690 ft.

KXII-TV (Ch. 12) Ardmore, Okla. has been granted permission to identify itself also with Sherman & Denison, Tex. Comr. Bartley dissented.

Unusual statistical happenstance of 11 consecutive births of girls to employes of WJRT Flint has finally been broken—it's a boy for engineer & Mrs. Leon Short.

FCC's FM stereo deadline for filing comments was extended to March 15 at request of EIA (Vol. 15:50 p8).

Film & Tape

More about

FILM—PROSPEROUS BUT TROUBLED: Untouched by the Washington TV investigations, Hollywood telefilm companies nonetheless had more than their customary share of headaches in 1959. But the industry benefited from the continued diminution of live TV and from TV's insatiable appetite for programming.

While some industry executives alibied that "everything can't be good," this was scarcely an adequate reply to the widespread criticism that a microscopic amount of film TV is good and that the vast bulk is of B-picture quality and sadly lacking in originality. Viewers weren't expecting "everything" to be good; they would settle for far less—but critics said they weren't getting it.

The triteness of the new season's programming dates back to last spring's buying period, when uncertain sponsors & ad agencies took the easy way out. They bought more Westerns, more private eyes, more action series. Result: TV had a record-shattering 47 action series on the networks—and public revulsion against this preponderance of violence set in. The TV film executives have a point when they say this is the only programming they can sell—and why offer something else if there are to be no takers? By year's end, however, it's now conceded both within ad agency & production circles that violence & Westerns have been overdone and it's time to say "Whoa!"

Many 60-Min. Program Failures

TV guessed wrong last year when it decided to go-for-broke on 60-min. series. This guess, made by networks mainly, was based on the success of *Wagon Train*, *77 Sunset Strip* and *Maverick*. But it has now been learned the hard way that it's not the length of a show that counts, but the content. Consequently the new 60-min. entries headed the casualty list at year's end—CBS-TV's *The Lineup* and 20th-Fox TV's *5 Fingers*, and *Desilu Westinghouse Playhouse* whose sponsor cut to alternating weeks.

Major-studio film TV had a bad year. Warner Bros., which had enjoyed 2 big hits in 1958 with *Maverick* and *77 Sunset Strip*, had its troubles in 1959 although its volume rose to 10 series. None of its new ones displayed signs of achieving real success, a number are headed for TV's ashcan, and one holdover, *Maverick*, was being outrated by upstart newcomer *Dennis the Menace*. In addition, WB encountered more star problems than any studio in Hollywood. Edd (Kookie) Byrnes walked out of *77 Sunset Strip* and Wayne Preston deserted *Colt .45* because they believed themselves underpaid. WB got into trouble, too, with the Screen Actors Guild for admitted violations of the SAG contract, paid a large sum.

The second major-studio trouble-spot was 20th Century-Fox TV, where much had been expected under the supervision of production chief Martin Manulis, ex-*Playhouse 90* producer. While 20th made some quick sales, its series were disappointing, with the sole exception of *The Many Loves of Dobie Gillis*, which appeared assured of a good year. The highly-touted & expensive 60-min. *Adventures in Paradise* can claim the dubious distinction of being the year's biggest flop. Stablemate *5 Fingers*, also 60-min., has already been cancelled. At year's end, Manulis was to move into feature-film production, with 20th-Fox TV Pres. Peter Levathes heading the TV operation.

Screen Gems, Columbia's subsidiary, had one of the few good new entries, *Dennis the Menace*, a sleeper which climbed well in the ratings. MGM-TV had no production,

having lost *The Thin Man* last spring. Walt Disney Productions added no new entries to its 60-min. series on ABC-TV. Its *Zorro* folded last spring. Paramount and Allied Artists are preparing their respective entries into TV.

Because the major studios generally failed to deliver, most of the production came from the independents, who ruled Hollywood TV film as never before. Still No. 1 is Revue Productions, the MCA subsidiary, with 16 series in production. Revue, quartered in its own studio (the lot formerly owned by Universal-International) is by far the dominant company in TV film.

Another independent, Four Star Television, and Warners, tied for runner-up in 1959. Each has 10 series. Screen Gems, Ziv TV, CBS-TV and Desilu Productions were other companies with volume.

For some companies the gloom spread thick in 1959. Foremost among them was the once-prosperous studio of Hal Roach Jr., a pioneer producer in TV. Involved in intricate financial dealings with Alexander Guterman, Roach found himself in difficulties and his studio went into bankruptcy. Other bleak situations prevailed at Jack Webb's Mark VII, another veteran outfit which had no production for the new season which began last fall; MGM-TV, no series; and McCadden Productions (the George Burns-Gracie Allen company), no production.

Small but prosperous Spartan Productions, had only 2 series, *Peter Gunn* and *Mr. Lucky*, but both did well.

One interesting development in Hollywood TV film during 1959 was the dickering by NT&T to buy controlling stock of Desilu Productions. "The house that Lucy built," formed in 1951, had mushroomed over the years. But when Arnaz acquired the RKO Gower and Culver City studios in 1958, formidable problems of finding enough shows to fill the 35 stages (including Desilu Cahuenga) loomed up. Just last week, Desi & Lucy decided not to sell (see p. 14).

Another TV pioneer, Four Star Television, moved to Republic studios where it rented most of its facilities in 1959. Steady growth now sends Pres. Dick Powell in search of an additional studio.

"The fabulous 50s" were a period of remarkable physical & financial growth for the TV film industry. In 1951, three series were born to remarkable success—Desilu's *I Love Lucy*, Jack Webb's *Dragnet*, and Four Star's *Four Star Playhouse*—and from this trio stemmed much of the industry's current prosperity. In a sense, the story of the 3 is the story of TV film. Four Star has built its flourishing company from that original series; Desilu built an empire on the antics of Lucy & Desi, but has never re-achieved a *Lucy*; and Webb and his Mark VII have nothing before the cameras today. Revue Productions, on the other hand, was formed in 1950 and had no hit series, but today is kingpin of the industry.

Physically, TV film in the '50s strode in 7-league boots. But in moving toward quality, it wore baby shoes.

Our Chart of Network Film Producers: Hollywood's producers of filmed series for the networks are listed in the specially-prepared production chart on p. 10 of this issue. Some big names are not included because they are not currently producing a network series or have no production whatsoever. Revue leads the chart with 13 network series; Four Star is runnerup with 12 (but *Wichita Town*, which it produces for the Mirisch-McCrea Co., has been cancelled). Warner Bros. is 3rd with 10 series, while Screen Gems and CBS-TV each follow with 7. (One of CBS-TV's shows, *The Lineup*, has been cancelled.)

BACKGROUND

No. 6

PRODUCERS OF NETWORK SERIES—December 1959

PRODUCTION CO.	STUDIO	SERIES	NET, DAY & TIME	PRODUCER	STARS	TYPE	YEARS on TV
Revue Studios Taft Schreiber, pres. Alan Miller, vp for production	Revue	<i>Alfred Hitchcock Presents</i> <i>Wagon Train</i> <i>GE Theatre</i> <i>Laramie</i> <i>Johanny Staccato</i> <i>Leave It to Beaver</i> <i>Riverboat</i> <i>Bachelor Father</i> <i>The Deputy</i> <i>M Squad</i> <i>Wells Fargo</i> <i>Markham</i> <i>Overland Stage</i>	CBS, Sun. 9:30 p.m. NBC, Wed. 7:30 p.m. CBS, Sun. 9 p.m. NBC, Tues. 7:30 p.m. NBC, Thur. 8:30 p.m. ABC, Sat. 8:30 p.m. NBC, (Being shifted) NBC, Thur. 9 p.m. NBC, Sat. 9 p.m. NBC, Fri. 9:30 p.m. NBC, Mon. 8:30 p.m. CBS, Sat. 10:30 p.m. NBC, time not set	Joan Harrison Howard Christie Harry Tugend John Champion William Frye, Everett Chambers Joseph Connelly, Robert Mosher John Larkin Everett Freeman William Frye, Michael Kraike Maxwell Shane Nat Holt Joseph Sistrum, Warren Duff Nat Holt	— Ward Bond, Robert Horton Robert Fuller, John Smith, Hoagy Carmichael John Cassavetes Barbara Billingsley, Hugh Beaumont, Tony Dow, Jerry Mathers Burt Reynolds, Darren McGavin John Forsythe, Noreen Corcoran, Sammee Tong, Jimmy Boyd Henry Fonda, Allen Case Lee Marvin Dale Robertson Ray Milland William Bendix	Anthology Western Anthology Western Private Eye Comedy Action Comedy Western Action Western Mystery Western	4 4 4 1 1 3 1 3 1 3 3 1 1
Four Star Television Dick Powell, pres. Thomas McDermott, exec. vp for production	Republic	<i>Dick Powell's Zane Grey Theatre</i> <i>Wanted—Dead or Alive</i> <i>DuPont Show With June Allyson</i> <i>Johanny Ringo</i> <i>The Rifleman</i> <i>The Detectives</i> <i>Black Saddle</i> <i>Richard Diamond, Private Detective</i> <i>Law of the Plainsman</i> <i>Wichita Town</i> <i>The Tom Ewell Show</i> <i>Cowland</i>	CBS, Thur. 9 p.m. CBS, Sat. 8:30 p.m. CBS, Mon. 10:30 p.m. CBS, Thur. 8:30 p.m. ABC, Tues. 9 p.m. ABC, Fri. 10 p.m. ABC, Fri. 10:30 p.m. NBC, Mon. 7:30 p.m. NBC, Thur. 7:30 p.m. NBC, Wed. 10:30 p.m. CBS, time not set NBC, time not set	Hal Hudson John Robinson Four Star Aaron Spelling Jules Levy, Arthur Gardner Arthur Gardner, Jules Levy, Arnold Laven Antony Ellis Vincent Fennelly Peter Packer Mirisch-McCrea Prod. (Not yet appointed.) Sam Peckinpah	— Steve McQueen June Allyson Don Durant, Mark Goddard, Karen Sharpe, Terance deMarnay Chuck Connors, Johnny Crawford Robert Taylor Peter Breck David Janssen Michael Ansara Joel McCrea Tom Ewell Brian Keith	Western Anthology Western Western Western Action Western Private Eye Western Western Comedy Western	4 2 1 1 2 1 1 3 1 1 1 1
Warner Bros. Jack L. Warner, pres. William T. Orr, exec. producer	Warner Bros.	<i>Colt 45</i> <i>Maverick</i> <i>Lawman</i> <i>The Alaskans</i> <i>Cheyenne</i> <i>Bourbon Street Beat</i> <i>Bronco</i> <i>Sugarfoot</i> <i>Hawaiian Eye</i> <i>77 Sunset Strip</i>	ABC, Sun. 7 p.m. ABC, Sun. 7:30 p.m. ABC, Sun. 8:30 p.m. ABC, Sun. 9:30 p.m. ABC, Mon. 7:30 p.m. ABC, Mon. 8:30 p.m. ABC, alt. Tues. 7:30 p.m. ABC, alt. Tues. 7:30 p.m. ABC, Wed. 9 p.m. ABC, Fri. 9 p.m.	Cedric Francis Coles Trannell Jules Schermer Boris Ingster Arthur Silver Charles Hoffman Arthur Silver Bert Dunne Stanley Niss Howie Horwitz	Wayde Preston, Donald May James Garner, Jack Kelly John Russell, Peter Brown, Peggie Castle Roger Moore, Dorothy Provine, Jeff York Clint Walker Richard Long Arlene Howell, Van Williams Ty Hardin Will Hutchins Tony Easley, Bob Conrad Connie Stevens, Ponce Ponce Efram Zimbalist Jr., Roger Smith, Edd Byrnes	Western Western Western Action Western Private Eye Western Western Private Eye Private Eye Private Eye	3 3 2 1 5 1 1 3 1 2

Screen Gems Abe Schneider, pres. William Dozier, vp for West Coast Oper. Harry Ackerman, vp & exec. producer	Columbia	<i>Dennis the Menace</i> <i>Man from Blackhawk Tightrope</i> <i>Alcoa-Goodyear Theatre</i> <i>The Donna Reed Shows</i> <i>World Championship Golf</i> <i>Father Knows Best</i>	CBS, Sun. 7:30 p.m. ABC, Fri. 8:30 p.m. CBS, Tues. 9 p.m. NBC, Mon. 9:30 p.m. ABC, Thur. 8 p.m. NBC, Sun. 4:30 p.m. CBS, Mon. 8:30 p.m.	James Fonda Matt Rapp Clarence Greene, Russell Kouse William Sackheim, Winston O'Keefe, Tony Wilson Tony Owen Fred Brislin, Mitchell J. Hamilburg Eugene B. Rodney	Jay North, Herbert Anderson, Gloria Henry, Joseph Kearns, Sylvia Field, Gil Smitb, Robert Rockwell Mike Connors Donna Reed, Carl Betz, Shelley Fabares, Paul Petersen Robert Young, Jane Wyatt, Elmor Donahue, Billy Gray, Lauren Chapin	Comedy Western Melodrama Antology Comedy Sports Comedy	1 1 1 2 2 1 6
CBS-TV Guy della Cioppa, vp for West Coast programming (with Cayuga Productions) (with Paisano Productions)	Metro Cal. Studios Cal. Studios Metro General Service Cal. Studios Cal. Studios	<i>Ranahide</i> <i>Hase Gun, Will Travel</i> <i>Hotel de Paris</i> <i>Twilight Zone</i> <i>Perry Mason</i> <i>Gansmoke</i> <i>The Lineup</i>	CBS, Fri. 7:30 p.m. CBS, Sat. 9:30 p.m. CBS, Fri. 8:30 p.m. CBS, Fri. 10 p.m. CBS, Sat. 7:30 p.m. CBS, Sat. 10 p.m. CBS, Wed. 7:30 p.m.	Charles Marquis Warren Ben Brady Sam Rolfe Rod Sterling Herbert Hirschmann Norman Macdonnell Edgar Peterson	Eric Fleming, Clint Eastwood Richard Boone Earl Holliman Raymond Burr, Barbara Hale, William Hopper, William Talman, Ray Collins James Arness Warner Anderson	Western Western Western Antology Mystery Western Action	2 3 1 1 3 5 6
Desilu Productions Desi Arnaz, pres. Lucille Ball, vp (with Anso Productions) (with Rorvic)	Desilu Gower Desilu Gower Desilu Gower Desilu Culver	<i>The Untouchables</i> <i>Desilu Playhouse</i> <i>Ann Sothern Show</i> <i>The Texan</i>	ABC, Thur. 9:30 p.m. CBS, Fri. 9 p.m. CBS, Mon. 9:30 p.m. CBS, Mon. 8 p.m.	Quinn Martin Bert Grant Devery Freeman Rory Calhoun, Victor M. Orsatti	Robert Stack Ann Sothern Rory Caloun	Action Antology Comedy Western	1 3 2 2
Ziv TV Frederic W. Ziv, chmn. John L. Sinn, pres. Maurice Unger, vp for West Coast operations	Ziv TV	<i>Bat Masterson</i> <i>Men Into Space</i> <i>The Man & the Challenge</i>	NBC, 1 hr. 8 p.m. CBS, Wed. 8:30 p.m. NBC, Sat. 8:30 p.m.	Frank Pittman, Andy White Lewis J. Rachehil Ivan Tors	Gene Barry William Lundigan George Nader	Western Adventure Adventure	2 1 1
20th-Fox Television Peter Levathies, pres. Martin Manulis, exec. Mead of production	20th-Fox	<i>5 Fingers</i> <i>Adventures in Paradise</i> <i>Many Loves of Dottie Gills</i>	NBC, Sat. 9:30 p.m. ABC, Mon. 9:30 p.m. CBS, Tues. 7:30 p.m.	Herbert Snope Jr., Dominick Dunne, Richard Goldstone Rod Amateau	David Hedison, Luciana Paluzzi Gardner McKay, Weaver Levy Dwayne Hickman, Frank Faylen, Florida Friebus	Adventure Adventure Comedy	1 1 1
United Artists Television Herbert L. Golden, pres. Bruce Eells, exec. vp (with Cypress productions)	Republic Hal Roach	<i>The Troubleshooters</i> <i>Dennis O'Keefe Show</i>	NBC, Fri. 8 p.m. CBS, Tues. 8 p.m.	Frank P. Rosenberg Les Hafner	Keenan Wynn, Robert Mathias Dennis O'Keefe	Action Comedy	1 1
Spartan Productions Gordon Oliver, exec. producer	Metro	<i>Peter Gunn</i> <i>Mr. Lucky</i>	NBC, Mon. 9 p.m. CBS, Sat. 9 p.m.	Blake Edwards Jack Arnold	Craig Stevens, Lola Albright John Vivyan, Ross Martin, Pippa Scott	Private Eye Adventure	2 1
NBC-TV Alan Livingston, vp. for West Coast programs	Paramount Metro	<i>Bonanza</i> <i>Fibber McGee & Molly</i>	NBC, Sat. 7:30 p.m. NBC, Tues. 8:30 p.m.	David Dortort Bill Asher	Loring Greene, Pernel Roberts, Dan Blocker, Michael Landon Bob Sweeney, Cathy Lewis	Western Comedy	1 1
Goodson-Todman Harris Katleman, vp (with Fen-Ker-Ada Productions) (with Cal. National)	Paramount Metro	<i>The Rebel</i> <i>Philip Marlowe</i>	ABC, Sun. 9 p.m. ABC, Tues. 9:30 p.m.	Andrew Fenady Gene Wang	Nick Adams Philip Carey	Western Private Eye	1 1

PRODUCTION CO.	STUDIO	SERIES	NET, DAY & TIME	PRODUCER	STARS	TYPE	YEARS on TV
John Guedel Productions	NBC Linkletter Playhouse	<i>You Bet Your Life</i> <i>People Are Funny</i>	NBC, Thur. 10 p.m. NBC, Fri. 10 p.m.	John Guedel John Guedel	Groucho Marx Art Linkletter	Comedy Comedy	9 6
Brennan-Westgate Productions Irving Pincus, pres. of Westgate Productions Walter Brennan, pres of Walter Brennan Enterprises	Desilu Culver	<i>The Real McCoys</i>	ABC, Thur. 8:30 p.m.	Irving Pincus	Walter Brennan, Dick Crenna, Kathy Nolan	Comedy	3
Walt Disney Productions Walter E. Disney, chmn. Roy O. Disney, pres.	Disney	<i>Walt Disney Presents</i>	ABC, Fri. 7:30 p.m.	Walt Disney	Leslie Nielsen, Robert Loggia, Tom Tryon	Adventure	6
Man With a Camera Productions Donald Sharpe, pres. Warren Lewis, vp	Desilu Culver	<i>Man With a Camera</i>	ABC, Mon. 10:30 p.m.	Jason Bernie	Charles Bronson	Action	2
Lassie Television Inc. J. D. Wrather Jr., pres. Sherman A. Harris, vp	Desilu Gower	<i>Lassie</i>	CBS, Sun. 7 p.m.	Robert Golden	Lassie, Jon Provost, June Lockhart, Hugh Reilly	Drama	6
Independent Television Corp. J. D. Wrather Jr., chmn. Walter Kingsley, pres.	Desilu Gower	<i>The Gale Storm Show</i>	ABC, Wed. 7:30 p.m.	Lou Derman	Gale Storm, ZaSu Pitts, Roy Roberts	Comedy	4
Hutton Productions (joint venture of Stanley Roberts Productions & Jupiter Productions) Eli Parker, pres. Betty Hutton, secy. (Jupiter)	Desilu Culver	<i>Goldie</i>	CBS, Thur. 8 p.m.	Marvin Marx	Betty Hutton	Comedy	1
Blue Jay Productions Jerry Staggs, pres.-treas. Maxine Staggs, vp	Hal Roach	<i>High Road With John Gunther</i>	ABC, Sat. 8 p.m.	Jerry Staggs	John Gunther	Travel	1
One Step Beyond Prod. Collier Young, pres. Larry Marcus, vp	Metro	<i>Alcoa Presents</i>	ABC, Tues. 10 p.m.	Collier Young	---	Fantasy	2
Toronto Enterprises Loretta Young, pres. J. S. Wayne, vp	Goldwyn	<i>The Loretta Young Show</i>	NBC, Sun. 10 p.m.	John London	Loretta Young	Drama	7
The Hennessy Co. Don McGuire, vp Jackie Cooper, secy.-treas.	General Service	<i>Hennessy</i>	CBS, Mon. 10 p.m.	Don McGuire, Jackie Cooper	Jackie Cooper	Comedy	1

Jack Chertok Television Inc. Jack Chertok, pres.	Metro	<i>The Lawless Years</i>	NBC, Thur. 10:30 p.m.	Jack Chertok	James Gregory	Action	1
Don Fedderson Prod. Don Fedderson, pres. Fred Henry, vp	Desilu Gower	<i>The Millionaire</i>	CBS, Wed. 9 p.m.	Don Fedderson	—	Anthology	6
Marterto Enterprises Danny Thomas, pres. Rose Marie Thomas, vp	Desilu Cahuenga	<i>The Danny Thomas Show</i>	CBS, Mon. 9 p.m.	Sheldon Leonard	Danny Thomas	Comedy	7
Stage Five, Prod. Leo Pepin, pres.	General Service	<i>Adventures of Ozzie & Harriet</i>	ABC, Wed. 8:30 p.m.	Ozzie Nelson	Ozzie Nelson, Harriet Nelson, David Nelson, Rick Nelson	Comedy	8
Wyatt Earp Enterprises Robert Sisk, pres.	Desilu Gower	<i>Wyatt Earp</i>	ABC, Tues. 8:30 p.m.	Robert Sisk	Hugh O'Brian	Western	5
Louis F. Edelman Enterprises Louis F. Edelman, pres. Rita Edelman, vp	Desilu Cahuenga	<i>Love & Marriage</i>	NBC, Mon. 8 p.m.	P. J. Wolfson	Bill Demarest, Kay Armen, Stubby Kaye	Comedy	1

HOLLYWOOD ROUNDUP

Six more "Riverboat" segments have been ordered by NBC. This will bring the 60-min. Revue series to 26 and take it into the spring.

Four Star TV plans a 60-min. pilot, *Michael Shayne*. Will Rogers Jr. will host the syndicated runs of *Death Valley Days*, to be distributed under the title, *The Pioneers* . . . New Screen Gems projects: *The Adventures of Tom Sawyer* and *The Adventures of Huckleberry Finn* . . . Rod Serling's Cayuga Productions plans pilot production of a comedy-fantasy, *Mr. Bevis* . . . Jack Emanuel, ex-Warner Bros. story ed., named story editor, NBC-TV, Pacific div.

Desilu Productions, Lucille Ball, Westinghouse Electric Corp., CBS and Don W. Sharpe have been named defendants in a \$150,000 suit filed in U.S. District Court in Los Angeles by Edwin Lanham. He claims copyright infringement & breach of contract in the telecast of *K. O. Kitty*, in which Miss Ball starred, on the *Desilu Playhouse* anthology series last season (CBS Nov. 17, 1958). He alleges his *Collier's* magazine story was submitted to the defendants & copied by them in the telecast.

Producer Irving Pincus (*The Real McCoys*) will put a pilot, tentatively titled *By George*, into production in Jan. It's a comedy . . . Another comedy pilot, this one starring Joey Bishop, also probably will be filmed in Jan. It's being financed by Danny Thomas, Louis F. Edelman, Sheldon Leonard, Arthur Julian and P. J. Wolfson.

Edward Dukoff, who resigned as president of Betty Hutton's Jupiter Productions following policy differences, is now settling his contract as her manager . . . Manny Rosenberg will produce a situation-comedy starring Yale Wexler for Roncom Productions. The pilot starts in Jan.

Ex-Universal-International producer Edmond Chevie has joined the staff of Talent Associates in N.Y.

NEW YORK ROUNDUP

Screen Gems' European sales operation will now be conducted from new London HQ with George Blaug, European sales supervisor, moving over from Paris. Blaug will continue to supervise sales activities in SG's Paris, Rome, Brussels, Madrid & Frankfurt offices, and in North Africa and the Near East.

NBC-TV's filmed *Project 20* presentation of "Mark Twain's America," set for April 22 telecast, represents a monumental digging job by an NBC public-affairs team. Utilizing the semi-animation techniques of the "Meet Mr. Lincoln" special, the Mark Twain show will use 3,500 pictures selected from 350,000 engravings & photographs examined in archives & libraries throughout the country by picture research dir. Daniel M. Jones. The pictures will be coupled with narrative text taken from Twain's own accounts of his life & times.

NBC is initiating movie-type screen tests Dec. 29 in the network's Radio City studios "to discover new young TV talent." Kinescope recordings of performances of 5 actors & actresses will be produced by Frank Telford & Preston Wood and viewed by NBC-TV program executives.

Desilu Sale Negotiations Off: Desilu Productions' controlling stock, owned by Pres. Desi Arnaz and his wife, Lucille Ball, is not for sale, the pair has advised NT&T Pres. B. Gerald Cantor. This ended the talks aimed at acquisition of the telefilm company (Vol. 15:50 p12, 45 p16).

After an NT&T board meeting, Cantor met with Arnaz and Desilu exec. vp Martin Leeds and was informed the pair had decided not to sell their 49% ownership in Desilu. According to Arnaz and Cantor, no firm offer was made for Desilu. Said a joint release by Arnaz and Cantor: "However, it was decided each of the companies, maintaining their independence, will continue to develop their current mutually successful relationship in which Desilu produces and NTA distributes properties in which they have a joint interest. NTA and Desilu have joint interests in 300 half-hours, films of series such as *U.S. Marshal*, *Grand Jury*, *Sheriff of Cochise* and *Walter Winchell File*.

When we asked Arnaz why he & his wife had decided not to sell, he replied: "We are happy with our company. Our future looks brighter than ever and next year should be our best. The company doubled its income this year. I'm only 42, and I don't want to quit." Regarding the NT&T, he said: "I'll listen. That's always been my policy."

Desilu is planning for 1960 its most ambitious production schedule—a program encompassing several new 60-min. and 30-min. series, some to be made in association with networks. It also plans European co-production of movies. Cantor told us there will be an expanded program of Desilu series made for NTA distribution and that NT&T is not contemplating buying any other TV film company.

CBS-TV Creative Control: Hollywood producers disagree whether effects are being felt of a CBS-TV clamping-down on creative control of film series. At a time when a number of pilots with CBS-TV financing are in the works, this is a particularly pertinent situation. One producer who preferred not to be identified, showed us a communique from a CBS-TV executive announcing that a certain project was to be dropped because the producer wouldn't surrender creative control. Another said CBS-TV is insisting that since it has responsibility for programs on the network, it should have control of content. A third said, "There is a lot of apprehension that the network will seek complete creative control." Some producers have offered the network the alternative of "consultative" control, but this was turned down. On the other hand, some producers with network shows have not been advised of any change. Guy Della-Cioppa, CBS-TV vp, Hollywood, asked by us about network policy on control, said: "We are more concerned in terms of program balance. We have strengthened our creative control, but this depends on how you define that. If you mean in terms of broadcast policy, we have. But if you mean in terms of entertainment values, we have not changed. This depends on each show & the people we work with. In some cases we insist on control, in some we don't."

Academy of TV Arts & Sciences "Close-up 1960" dinner-show will take place Jan. 8 in the grand ballroom of N.Y.'s Hotel Astor instead of the previously-announced Waldorf-Astoria. The show will be "a lampoon of the TV industry entitled 'Inside TV; or Heads Will Roll.'"

Derel Producing Associates is making initial production plans for a new film series, *The Consul*, based on activities of the U.S. Foreign Service. State Dept. cooperation on the series has been promised.

Educational Television

Electronic College Campus: Within the next decade, viewers may be able to get a college degree without leaving their living rooms. That's the plan of Dr. John E. Ivey, former exec. vp of NYU who is now pres. of Learning Resources Institute, N.Y. He reported last week that negotiations for college-level TV instruction are now under way at all 3 networks, with initial plans calling for a 2-year curriculum (15 courses) to be ready on film or tape by 1964. Estimated cost: \$20 million.

Non-profit LRI, supported by grants, would administer the project, working with colleges & universities which agree to participate & grant the degrees after examinations. Planned also is a research center at Princeton U. to study modern teaching methods, including ETV. Chmn. of LRI's institute board is Oliver C. Carmichael, ex-chancellor of Vanderbilt U. LRI is already administering the early-morning *Continental Classroom* ETV series on NBC-TV, which has close to 500,000 viewers.

Additional plans for LRI activities include the Midwest Council on Airborne TV Instruction (Vol. 15:42 p12), announced in Oct., of which Dr. Ivey is also pres. An experimental, \$7-million study is planned for next fall, involving ETV telecasts from an airborne transmitter using taped instruction to students in 13,000 schools & colleges in 6 midwestern states.

* * *

The \$7 million "Stratovision" ETV experiment in the Midwest (Vol. 15:42-44) was given FCC's blessing last week, in the form of a CP to Purdue U. The Commission hemmed in the authorization with its customary caution, stating: "This Commission authorization is not to be construed as approval or an indication of future approval of operation of the facilities beyond the experimental period, or as a finding by the Commission that any portion of the TV bands shall be allocated for a regular educational TV service of this nature. The grant is further conditioned that no objectionable interference be caused to TV broadcast or translator stations in the area, and that it does not preclude the Commission from granting regular broadcast applications which might conflict with the experimental operation. Also, the university is required to make air announcement and otherwise inform the public & participating schools that the test is for the 1960-1961 school year only and that its extension beyond that time is subject to a determination by the Commission that it would be in the public interest, convenience and necessity."

Membership fees in TIO have been trimmed to \$100 annually for non-commercial telecasters. The decision to admit ETV stations came at a TIO staff meeting earlier this month.

Auxiliary Services

Stock in Rosensohn Enterprises Inc., and return bout contract between heavyweight champion Ingmar Johansson and Floyd Patterson have been purchased by a group of 10 businessmen represented by attorney Roy M. Cohn. The group will negotiate for TV, radio & movie rights to a return match, with Irving Kahn, pres. of TelePrompTer Corp. Kahn holds the rights under a separate contract.

Jerrold Electronics anti-trust trial (Vol. 15:45 p24) in Philadelphia federal court has been completed. The next steps will be the filing of proposed findings of fact. The govt. must file by Feb. 1 and Jerrold Electronics must file by March 1.

Television Digest

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WALTER H. ANNENBERG, *President*

PUBLICATION OFFICE Radnar, Pa., Murray 8-3940, TWX: Radnar 1028

JAMES T. QUIRK, *Business Manager*
 JAMES B. DELEHANTY, *Asst. Business Mgr.*
 MERRILL PANITT, *Editorial Director*
 HAROLD B. CLEMENKO, *Managing Editor*
 DAVID LACHENBRUCH, *Associate Editor*
 HAROLD RUSTEN PAUL STONE

WASHINGTON BUREAU

Wyatt Building
 Washington 5, D.C.
 Sterling 3-1755

ALBERT WARREN, *Chief*
 WILBUR H. BALDINGER
 WM. J. McMAHON Jr.

MARTIN CODEL
Associate Publisher

NEW YORK BUREAU

625 Madison Ave.
 New York 22, N.Y.
 Plaza 2-0195

CHARLES SINCLAIR

WEST COAST BUREAU

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 Hollywood 28, Cal.
 Hollywood 5-5210

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Personals: Bernard I. Paulson named dir., ABC-TV network production services dept. . . . Harold J. Klein named ABC Films vp for business affairs . . . Earl Higgins promoted from auditor to business mgr. of Westinghouse's WJZ-TV Baltimore.

H. Preston Peters, Peters, Griffin, Woodward pres., re-elected pres. of the Station Reps Assn. Also elected were John P. Blair, vp; Eugene Katz, treas.; Daren F. McGavren, secy.; Frank M. Healey & Richard O'Connell, dirs. . . . H. J. Grenthot has been elected treasurer of the Katz Agency, succeeding M. J. Beck, who will retire Dec. 31. Walter Nilson, Katz TV sales mgr., has been elected to the board . . . Phil Cowan, ex-PR dir. for NTA o&o stations, named Metropolitan Bcstg. Corp. publicity & special events dir. . . . Frank Garvin has resigned as exec. secy. of the Council on Medical TV, succeeded by John MacKenzie . . . Jack Barry, partner in Barry & Enright and co-producer of former 21 TV quiz show, appointed exec. vp of Fragrance Process Co., producers of aromatic substances for use in advertising.

Gerald Beadle, dir. of BBC Telecasting Service, will visit U.S. & Canada for 2 weeks in Jan., planning to talk with broadcasting executives & govt. officials in N.Y. & Washington, perhaps also delivering speeches.

Meetings next week: RTES timebuying-selling seminar (Jan. 5); Louis Hausman, TIO dir., and Gilbert Seldes, dir., Annenberg School of Communications, U. of Pennsylvania will deliver "A Critique at Mid-Season." Hotel Lexington, N.Y. . . . Federal Communications Bar Assn. annual meeting & banquet (8), Statler Hotel, Washington.

We regret that holiday communications difficulties interrupted our normal production & delivery of last week's Addenda services. Addenda subscribers therefore, will receive with this week's Newsletter: TV Addenda N & O and AM-FM Addenda YY & ZZ for December 19 & 26.

ORDER YOUR 1959 BOUND VOLUME

We will bind & index all 1959 copies of TELEVISION DIGEST, Vol. 15, including the semi-annual Factbook with all addenda, supplements and special reports. This embossed hard-cover volume—the authoritative record of the television industry in 1959—is available at \$25.00. Orders will be accepted through January 8, 1960.

Programming

More News Specials: All 3 networks will have major weekly prime-time public-affairs shows next fall. This became a fact last week when CBS-TV confirmed its plans (Vol. 15:51 p8). The CBS-TV plan calls for a 60-min. show on a 52-week basis, possibly slotted in either the Wed. 7:30-8:30 or Thur. 10-11 p.m. period currently occupied by *The Lineup* and *Playhouse 90-Big Party* respectively, although no firm time slot has been chosen. Included in the series will be the present *CBS Reports* specials, currently scheduled on a once-a-month preemption basis but due to step up to an alt.-week schedule in 1960.

The CBS-TV public-affairs move speeds up the official timetable for such regularly scheduled shows on the network as promised last May by CBS Inc. Pres. Dr. Frank Stanton. Originally, Stanton announced that weekly cultural & public-affairs shows would be televised in the 1961-62 season. Now, CBS will be on an equal footing with NBC-TV, which plans to continue its 60-min. news specials due to replace *5 Fingers* in Jan., and ABC-TV, which plans to start its new 30-min. weekly series based on the writings of Sir Winston Churchill and co-produced with Screen Gems in the fall.

* * *

Worldwide TV distribution is planned by Screen Gems for its 30-min. documentary series drawn from Churchill's writings. Early in Jan., Lloyd Burns, SG vp for international operations, leaves for Europe to map overseas sales & language-dubbing operations there. At the same time, John Manson, vp of Screen Gems de Mexico S.A. and Alwin Zecha of the SG international dept. will handle extensive sales campaigns for the series in Latin America & the Far East. The Churchill series will be, says SG, "the most international TV program ever produced."

Ford Talks Renewal: Although the renewal date on TV's most expensive weekly show, *Ford Startime*, isn't until April, negotiations for renewing the elaborate Tues.-night series of weekly specials are already under way. Ford sales are up, and the sponsor is interested in another season. Current plans call for inclusion of some documentaries.

Meanwhile, other properties set for the NBC series produced by Hubbell Robinson Jr., and to be seen this season, include "The Juggler," starring Tony Curtis; a modernized version of "A Connecticut Yankee in King Arthur's Court," starring Tennessee Ernie Ford; an already-taped "Midsummer Night's Dream," starring Charles Laughton; "Arthur," starring Rex Harrison; "Crime Inc.," a Mafia story which FBI chief J. Edgar Hoover will host; and a Civil War story, "The Reb," yet to be cast.

"There is already law enough to punish fraud and to stop misrepresentation or misleading advertising. But if the end result of the recent TV scandals is to take away from private enterprise the initiative stimulated by American competition, then the cure will prove much worse than the disease. The political consequences of such a debacle and its effect on the American system of government could be grave . . . There is no surer way of ruining any medium of communication than to give the government any power to tell a private enterprise how to deal with political speeches or any other program. Censorship of the theater or of books is resented by many so-called 'liberals,' but there is a strange readiness to accept censorship of TV & radio."—David Lawrence in the *N.Y. Herald Tribune*.

Networks

CBS Sets Washington Meeting: A special 2-day CBS-TV conference was scheduled for Feb. 29 & Mar. 1 at Washington's Hotel Shoreham, by Pres. James T. Aubrey Jr. last week. Purpose: "To examine the TV broadcasters' role, their public responsibilities & how best those responsibilities can be fulfilled." Decision to hold the meeting was reached after discussions with William T. Quarton, chmn. of the CBS-TV affiliates advisory board. It will be the first roundtable session between management-level CBS-TV executives and affiliates since the network began its new program of self-regulation (Vol. 15:30 p3).

Affiliates & CBS-TV executives will hear about new govt. moves in the broadcast field from several of the men who are responsible for them. Invitations to address the session have been accepted by Sen. Warren G. Magnuson, chmn. of the Senate Interstate & Foreign Commerce Committee, Rep. Oren Harris, chmn. of the comparable House committee, John C. Doerfer, Chmn. of FCC, and FTC Chmn. Earl W. Kintner.

Realignment of NBC PR executives was announced to fill the vacancy created by the shift of Kenneth Bilby, newly named vp for public affairs, RCA, from the post of vp for ad, promotion & PR at NBC. Sydney H. Eiges, the network's veteran vp for press & publicity, was promoted to the newly created post of vp, public information. Lester Bernstein, dir. of information, was named to a new position as dir., corporate affairs. Eiges will be succeeded as head of NBC PR activities by Ellis O. Moore, dir. of the N.Y. press dept. since Sept. 1954. Moore's new title is that of dir., press & publicity. NBC national advertising dir. John H. Porter & promotional services dir. Alexander S. Rylander will both report to Eiges, together with Moore, although continuity acceptance dir. Stockton Helffrich, who formerly reported to Bilby, will now report to NBC standards & practices vp James A. Stabile. Eiges, like Bilby before him, will report to NBC sr. exec. vp David C. Adams.

Final papers for MBS financial reorganization under the Bankruptcy Act were signed in U.S. District Court, N.Y. Dec. 23 by referee Asa Herzog, taking the network out of "debtor in possession" status. Mutual had been in bankruptcy court since July 1 (Vol. 15:29 p7).

NETWORK SALES ACTIVITY

ABC-TV

American Bandstand, Mon.-Fri., 4-5:30 p.m., 7 alt. 15-min. segs. over 14 wks.
Footwear div. of B. F. Goodrich (Foote, Cone & Belding)

Daytime programming, first quarter 1960, renewals by charter advertisers in the network's 1958-initiated *Operation Daybreak*.
General Foods, Beech-Nut Life Savers, Johnson & Johnson, Drackett Co. (Young & Rubicam), *Gillette* (North), *Lever Bros.*, *Armour & Co.* (Foot, Cone & Belding)

NBC-TV

Pre-Oscarcast show, April 4, 1960, 10-10:30 p.m.
Procter & Gamble (Grey Advertising)

Basketball, Sat. afternoons, 8 15-min. segs.
Schick Safety Razor Co. (Compton Adv.)

The FCC

TV-AM stereo tests for 90 days were granted by FCC to KOB-TV & KOB Albuquerque last week over the dissents of Comrs. Bartley & Ford. The authorization permits KOB-TV to present a still picture 9-11 a.m. Sundays. Said Ford: "I have consistently opposed the authorization of aural TV transmissions which have the purpose of supplying one of the components of a stereo radio transmission system. I do not believe that this type of operation aids in any way the development of an acceptable broadcast stereo system. In fact, such transmissions may hamper such development in that they encourage a usage which holds no promise of eventual adoption. These authorizations offer nothing in the way of an experimental or developmental program, yet occupy 6 mc of radio frequency spectrum where a few kc should suffice. The purpose of the Commission rule which requires a TV broadcaster to transmit programs of primarily visual interest is in keeping with the aims & purposes and bandwidth for which TV stations are licensed and it is not advisable to permit a diversion from these aims."

Preoccupied with "anti-censorship" provisions of the Communications Act, FCC Chmn. Doerfer frequently asked during the recent programming hearings whether the Commission would be powerless to prevent the presentation of *Lady Chatterley's Lover* on TV. He seldom received a clear-cut answer. Therefore, the Commission is seeking to interest the Court of Appeals (N.Y. 2nd circuit) in TV-radio implications, asking it to confine its forthcoming decision to mailing only. The Commission doesn't want the decision to be so broad as to tie its hands in case the book is broadcast. Chmn. Doerfer, in testimony before Rep. Harris' investigating committee last Oct., said he'd risk going to jail to keep the book off the air. The court is now considering the Postmaster General's appeal from Judge Bryan's decision which held that the book is not pornographic and can therefore be sent through the mails. FCC asst. general counsel Max Paglin, one of the Commission's ablest attorneys & a distinguished wit, informs us that he has "leafed through the most important parts of the book." Attorney Ruth V. Reel has been assigned to the case. She has finished her draft and the *amicus curiae* brief is likely to be filed with the court within a week. The case has already been argued and awaits decision. If FCC's brief is accepted, court will consider it before decision.

New retrial date for ex-FCC Comr. Richard A. Mack & Thurman A. Whiteside in the Miami Ch. 10 conspiracy case (Vol. 15:50 p5) is Jan. 25. Presiding in Washington's U.S. District Court will be a judge who was scheduled to be designated during the Christmas recess. Judge Charles F. McLaughlin had been assigned to the second trial, which was postponed from Nov. 12 pending a defense appeal to the Supreme Court, which refused to hear it. But he will take over civil cases in the Jan. term.

Renewal of NBC's WNBQ & WMAQ Chicago was granted by FCC last week as it rejected objections of AFTRA. The union had asked for a hearing, charging that the stations denied local advertisers opportunity of hiring local performers, stifled cultural possibilities of TV, ignored community interests by firing many performers, etc.

Transmission tolerances for Conelrad attention signal have been proposed by FCC so that manufacturers may produce AM-FM Conelrad sets for sale to the general public. Copies of the proposal are available from the Commission, and comments are due by Feb. 8.

Trade Report

DECEMBER 28, 1959

DIMENSIONS OF HOME ELECTRONICS—1959: In recapping consumer electronics' record year now ending, several outstanding trends are apparent—and they bode well for 1960.

Dollar-wise, all previous consumer electronics records were shattered—\$2.05 billion factory sales in 1959 vs. \$1.6 billion in 1958, \$1.7 billion in 1957, \$1.5 billion in 1955. In units, however, it's certain that no notable records were set: the total of 5.8 million TV sets sold at retail is far below 1955's record 7.4 million; 8.9 million radio set sales in 1959 compares with high of 17.3 million in 1947; even this year's factory phono sales of perhaps 4.1 million units is somewhat below the 1957 figure.

What this year did bring to the consumer electronics industry, however, was the beginning of a return to value selling—as opposed to price selling. This despite the heavy TV saturation and emphasis on portables, despite the complete consumer confusion over stereo, despite the penny-shaving inroads of low-cost high-quality Japanese sets on the radio market. There has been virtually no dumping this year—except for the current dump of 2-piece stereo units. Let's look at record of 3 main branches of home electronics:

TV: Factory sales of some 6 million sets at \$835 million brought average factory price of TV set to nearly \$140—highest point since 1954. TV prices had tumbled each year until 1956 (when average price hit its low point of \$127); average went to \$130 in 1957, to \$136 in 1958 (for year-by-year table, see Vol: 15:31 p18). Average price increase this year is all the more significant in view of the fact that more than 60% of unit sales were portables (vs. 57% last year).

With renewed consumer interest in music, 1959 saw beginning of what may become the return of the TV-phono combination. Of the 5.8 million sets sold at retail, preliminary estimates indicate that some 140,000 were combinations—not a huge amount, but best since 1953.

TV's higher average price per unit was achieved without price increases, but by offering history's largest variety of useful & desirable trade-up gimmicks—particularly remote control, 23-in. tubes, fine furniture consoles, more attractive slim high-end portables.

Phono: For first time, factory value of phonos exceeded factory value of radios (excluding auto) sold this year—as we predicted last Sept. (Vol. 15:37 p13). Sales of phono units of all kinds (except record-player attachments) will come to about \$385 million at factory this year, vs. \$344 million for domestic home, portable & clock radios.

Spurred by stereo, unit value of phonos soared in 1959—to an average price of more than \$86. This compares with \$64 in 1958 and \$50.50 in 1957. So despite all the confusion about stereo, phono makers have succeeded in sharply upgrading their products in terms of dollars, even though unit sales set no record.

Radio: Retail sales will total about 8.9 million, plus another 5.4 million auto sets. Because of character of statistics on radio production & sales, it's still too early to estimate how price per unit compares with former years (retail estimates unavoidably include some imported sets, but not all). Nevertheless, as 1959 closes, radio manufacturers are competing successfully with Japanese transistor radios. And 1959 radio retail figure is highest in 9 years.

FM radio may be having its 2nd most successful year—at least by far its biggest year since FM "flopped" in the early 1950's. Some 600,000 radio-phono combinations built this year contained FM or FM-AM radios; in addition, about 550,000 FM & FM-AM table radios were made domestically. Add to this about 150,000 FM tuners for hi-fi installations and another 100,000 imported FM sets, and year's total of FM set sales comes to about 1.4 million units (Vol. 15:47 p18).

Another record year seems to be coming up in 1960 for consumer electronics, as indicated by the predictions of industry leaders in this space last week (Vol. 15:51 p14). Next week we'll sum up with our own detailed predictions of what 1960 should mean to consumer electronics.

TV-Radio Production: Because of the Christmas holiday, EIA's figures on TV-radio output for the statistical week ended Dec. 18 weren't available at press time. They will be carried in next week's issue.

BATTLE OF THE SAFETY GLASS: The first 19-in. sets—due in Feb. or March (Vol. 15:50 p15)—probably will use conventional safety glass mounted on the cabinet instead of laminated to the tube. But there are now signs that Pittsburgh Plate Glass is winning converts in the 19-in. field for its own brand of bonded-on plate implosion glass—which it failed to accomplish in the 23-in. arena. All 23-in. sets now on the market use the Corning molded glass “cap” bonded to the screen—although GE is preparing to introduce 23-in. sets using conventional external safety glass.

PPG has much at stake in the struggle with Corning for the bonded implosion-plate market. It supplies about 90% of the glass for external TV faceplates (Vol. 15:42 p18). If external TV glass should become extinct, PPG will suffer—unless it can put over its bonded-on plate glass.

Advantages of bonded-plate-glass over the molded cap of the Corning type, according to PPG's claims: One half the weight, 50¢ to \$1 per tube less costly as a result of lower material, labor & machinery costs. PPG says its shield can be bonded to any tube.

Joseph Stern of PPG's product development dept. says he's confident the plate-glass approach will be adopted for 19-in. tubes, judging by the “considerable interest” now being shown by set makers. He expects PPG to get into the 23-in. field by the back door as a result of the success of the 19-in. bonded plate glass.

“We're confident that after the manufacturers adopt our system for the 19-in. tube, they'll gradually swing to it for the 23-in.,” Stern told us. “We know set makers are now committed to the Corning cap for the 23-in. tubes till April or May in most cases. We're frankly planning on the long haul.”

The 19-in. bulbs now being supplied to tube makers by Corning and Kimble (Owens-Illinois) are “strong” bulbs—that is, they're designed for use with external safety glass (but they can also be used with either the Corning or PPG-type bonded cap). Sampling is now beginning on “weak” 19-in. bulbs—lighter envelopes requiring laminated safety glass. Dimensions of both bulbs are the same.

FTC's new bait-&-switch guide (Vol. 15:49 p13) “strikes at a basic merchandising concept” in the appliance field, according to merchandising mgr. William Burston of the National Retail Merchants Assn. He said “nobody will quarrel with the purpose” of the FTC manual in warning retailers & customers against illegal advertising & selling practices. But Burston protested that if its rules are observed literally, retailers will have to stop handling promotional merchandise on which there's little or no profit. It's “a legitimate form of doing business” for stores to try to “sell away” from such appliances into profitable items, he said. FTC's acting consultation bureau dir. Paul Jamarik retorted that FTC isn't trying to prevent businessmen from selling customers good products.

Purchase of RCA TV chassis for incorporation in its own TV-radio-stereo cabinets was announced last week by West German TV & cabinet maker Metz. RCA confirmed that an agreement had been signed with Metz, but would not comment on the Fuerth, Germany, concern's statement (reported by Reuter's news service) that the finished RCA chassis-Metz cabinet TV combos would be sold in the U.S. Metz claims that its cabinet sales in the U.S. have soared 400% in 1959 over 1958, that it has some \$3 million in U.S. orders for its stereo cabinets.

Call to arms for “a war of workmanship” to combat foreign competition & inflation has been sounded by Packard Bell Pres. Robert S. Bell. He urged industry & the govt. to follow his concern's lead in establishing “Q” award programs to increase the quantity & improve the quality of U.S. production. Warning that the U.S. is falling behind in the international production-growth race, Bell declared: “The time has come to stop retreating & start advancing. In the shooting war we had ‘E’ awards. Now I think we should have ‘Q’ awards. Only through quantity can we fight inflation and compete in foreign markets; only through quality can we prevail in any market.” Bell spoke at Packard Bell's annual employe meeting, told co-workers that the company will immediately establish a “Q” award program in its factories.

Tandem ad with 4 other manufacturers gives RCA a 5-page promotion insert on its 501 data processing system in Jan. *Fortune*. The tandem passengers: Willys Motors, which uses the word “universal” to bridge the gap between its Jeeps & RCA's system; Piper Aircraft and its “advanced” planes; “dependable” Burns Security Service, Vertol Aircraft Corp. and its “versatile” helicopters. RCA ad & sales promotion mgr. R. H. Coffin explained: “By using to good advantage the aggressive techniques of comparable consumer programs we expect to achieve excellent results in selling to the industrial market. We are sure that the 4 companies that have joined with RCA to create this 5-page insert will find that the heavy impact of tie-in advertising gives dramatic emphasis to the individual presentation of each company.”

New mass-market home electronics products due in 1960, according to EIA Pres. David R. Hull, may be stereo radios and more-popularly-priced electronic cooking ranges. Expanding on his year-end predictions (Vol. 15:51 p13), he said electronic ranges—heretofore confined largely to restaurants & institutions—will be in many homes by the end of next year, as a result of price reductions of one third. (They now sell for \$800-\$900.) His prediction of mass production of stereo radio receivers is based on the premise that FCC will formally approve standards for FM and/or AM stereo broadcasting. He pointed out that the electronics industry's 1959 factory sales of \$9.2 billion were more than 3½ times the 1950 total. The industry now employs more than 760,000 people (more than half of them in N.Y., Pa., N.J., Mass., Ill., & Cal.), more than twice the number employed in 1950.

EIA's first conference on selling electronic equipment systems (instead of hardware) Jan. 5 at N.Y. Biltmore Hotel will be opened by Motorola mktg. mgr. Irving Koss and feature these speakers & panels: Wroe Alderson, pres. of Alderson Associates, Philadelphia management firm, speaking on “Market Planning for the Systems Market;” Patrick J. Robinson, senior consultant, John Diebold & Associates, “Problems in Systems Marketing;” panel discussion by representatives of 4 major systems vending companies on “Systems Pricing Problems;” John Diebold, moderator; Al N. Seares, mgr. of management services & operations research dept., Remington Rand Univac div., “Marketing Management in a Systems Market.” EIA exec. vp James D. Secrest will be luncheon speaker.

Another antenna maker enters hi-fi import field: Spiraling Products Co. next month plans to begin distribution of German-made stereo phono systems, some with radios and tape recorders, as well as table radios and novelty remote stereo speakers (in electric clocks, etc.).

Trade Personals: Kenneth W. Bilby moves up from NBC exec. vp for ad, promotion & PR to RCA public affairs vp as forecast here (Vol. 15:47 p10), succeeding E. C. Anderson, now staff exec. vp (Vol. 15:51 p19). Bilby's new responsibilities will embrace PR, institutional advertising & publications, community relations, exhibits.

Anthony L. Conrad promoted from RCA govt. services dept. vp to RCA Service Co. pres., succeeding Donald H. Kunsman, now gen. mgr., electronic data processing div. (Vol. 15:51 p19); Stephen D. Heller, former BMEWS service vp, succeeds Conrad in govt. services . . . William H. Miltenburg, ex-RCA Victor, named operations mgr., United Stereo Tapes, Ampex Audio's tape manufacturing & distributing arm . . . William Wolfner, ex-Magnavox, appointed engineering mgr., Conley Electronics special products div.

Elliot C. Noska, ex-Air Associates, appointed to new post of commercial sales mgr., Packard Bell home products div. . . Samuel J. McDonald named asst. mgr., Sylvania Electronic Tubes distributor sales dept. . . Dr. William C. Leone named vp-gen. mgr., Rheem subsidiary Rheem Califone Corp. (record players, sound systems) . . . Dr. Lloyd T. DeVore named Hoffman Electronics labs div. engineering dir., succeeding Richard A. Maher, resigned; DeVore continues to head Hoffman Science Center.

Martin Dubilier, ex-Philharmonic Radio & Television Corp. and a former management consultant, named gen. mgr. of ITT subsidiary International Electric Corp. . . Charles D. Bradrick named production superintendent, Raytheon's semiconductor div. plant under construction in Lewiston, Me. . . John A. Fairchild, ex-Raytheon, appointed vp for Dynamics Corp. of America's new Latin American-Far East div. . . Loren A. Bailey, ex-AT&T, joins Page Communications Engineers Inc. as a senior staff engineer . . . Bernard R. Deschaine, ex-Melpar Inc., named contracts mgr. of Scovill Mfg. Co.'s subsidiary Airtronics Inc., Bethesda, Md.

Horace B. McCoy, administrator of Commerce Dept.'s Business & Defense Services Administration since 1956, resigns Dec. 31 to head new private business group (name undisclosed) concerned with U.S. foreign policy . . . John J. Shenk named Eastern regional mgr., CBS Electronics equipment sales . . . Joseph M. Kees, ex-Servomechanisms, named to new post of mgr., General Precision Labs Los Angeles regional office . . . Arthur E. Rasmussen named finance vp, Avco Corp.

Philco went along with 23-in. trend, showing a single basic model along with 6 new 21-in. sets, at a series of distributor meetings which ended last week. The 23-in. receiver, called "Extra-Vision 23" by Philco, is offered in hardwood cabinets at \$299.95, \$309.95 & \$319.95. Among other models introduced was a wood-cabinet 21-in. table model starting at \$189.95. Five new 21-in. consoles range from \$199.95 to \$259.95, with one 3-speaker console with casters carrying an "open list." Also introduced: New stereo console with removable speaker enclosures, at \$159.95.

Admiral will enlarge its Harvard, Ill. TV-receiver factory in a \$1-million move to increase the plant's present production capacity of 75,000 sets monthly. Pres. Ross Siragusa reports that a 2-stage expansion will add 150,000 sq. ft. to the 500,000-sq.-ft. building, increase employment from 2,200 to 3,000. A 75,000-sq.-ft. addition will be started in Jan., completed by the end of June. The program will be completed by spring 1961 with a second 75,000-sq.-ft. addition.

Appraising the 1960 Business Outlook

Forecasts of Prospects for Next Year's Economy—
Digests of Expert Opinion

Bullish forecasts for 1960 business continued to flow last week from investment services, large companies and govt. bureaus. In the general business field, with an accent on consumer durable goods forecasts for next year, here are highlight digests of some of the most significant recent summaries of '59 and predictions for '60 (for earlier digests, see Vol. 15:50 p18):

American Home Laundry Mfrs. Assn.: Factory sales of home laundry appliances in 1960 should total 5,709,000 units, 4% greater than the 5,495,000 sold in 1959 and 2nd only to the peak year of 1956 (when 6,005,051 units were sold), according to the association's Market Research Committee composed of market research heads of the 20 U.S. home laundry equipment makers.

Frigidaire div., GM: Vp-gen. mgr. Herman F. Lehman expects 1960 appliance industry sales to continue at "about the same high 1959 level, with perhaps slight increases in most product lines, particularly in food freezers, dryers & dishwashers." This year's appliance business "probably will be better than 15% above 1958."

National Electrical Mfrs. Assn.: Shipments of major electric appliances in 1959 were the highest since the record year of 1950 and showed a 17% gain over 1958. A further gain of 3% is forecast for 1960. Sales of all major appliances should increase next year, except food freezers, which will be about the same as 1959.

Prentice-Hall: Chief economist Dr. Leo Barnes predicts a record-breaking business year in 1960—with the gross national product rising 5% to 7% from this year's \$480 billion to between \$501 & \$510 billion. Three major developments will key this rise: (1) Consumer spending will increase \$13-\$19 billion over this year's mark to between \$324 & \$330 billion. Total retail sales will rise from this year's \$217 billion to between \$224 & \$229 billion. Hard goods will record the biggest gain—from 4% to 7%. (2) Plant & equipment spending will increase by \$3.3-\$4.7 billion to as much as \$37.3 billion—an increase as high as 14% over 1959 and a new record. (3) Inventories will increase by \$5-\$7 billion, a gain of 20%-67% over 1959 levels, due to rebuilding of stocks after steel strike.

Sales Management magazine: Survey of 325 sales executives showed that 67% expect a "bigger & better year" in 1960, 22.5% expect a good year, 9.5% a fair year, 1% a poor year. Sales forces will be increased by 75.5% of those responding, ad appropriations by 70%. Principal worries: equipping & training salesmen to fight competition, 70.5%; finding better salesmen, 51%; price-cutting, 35%; cutting sales costs, 24.5%; adequate ad budget, 22%.

Sears, Roebuck & Co.: Pres. Charles H. Kellstadt sees consumer durables sales up 8%-10% over '59, soft goods up 5%. Economic research mgr. Arthur Rosenbaum predicts 6% increase in general merchandise sales next year.

U.S. Commerce Dept.: Consumer Durable Goods Div. of Business & Defense Services Administration estimates that manufacturers' sales of household appliances will exceed 1959's dollar volume by about 7% for a record year, most segments of the industry sharing in the rise.

Packard Bell has completed the best week of distributor sales in the history of the company, 66% over that of a year ago, says home products vp Kenneth R. Johnson.

Finance

Skiatron Electronics & TV Corp. last week took issue with SEC's announcement that the pay-TV promoter's stock-registration statement may be false & misleading (Vol. 15:51 p20). Commenting on SEC's announcement & the 10-day suspension in trading of Skiatron stock (Dec. 18-27), Pres. Arthur Levey said: "We believe that the registration statements of this company, prepared by expert legal counsel, fully & accurately reflect the business affairs of the company, and that to our knowledge, no material facts were ever kept from stockholders." He promised to cooperate with SEC, which presumably will schedule a hearing in the case involving stock allegedly sold by Matthew Fox without SEC registration. The SEC was scheduled to meet Dec. 24 to decide whether to order another 10-day suspension.

Columbia Pictures nearly tripled its net profit in fiscal-1960's first quarter and anticipates equally profitable operations for the 2nd quarter ending this week (31). The improved performance is due in part to healthy revenues from TV films (Vol. 15:51 p20). Columbia TV subsidiary Screen Gems had revenues of \$35-\$40 million in fiscal 1959 compared with \$30-\$35 million in fiscal 1958, reports SG vp-gen. mgr. Jerome Hyams, and "we should do equally as good or better" in fiscal 1960 ending June 30. For 13 weeks ended Sept. 26:

	1959	1958
Net profit	\$886,000	\$319,000
Per common share	65¢	21¢
Common shares (1959) ..	1,270,350	1,270,350

Times-Mirror Co. racked up a 52% gain in profit in the 44 weeks ended Nov. 1. Pres. Norman Chandler said principal contributors to the improved results were its wholly owned TV subsidiary KTTV Los Angeles and the *Los Angeles Times* and *Mirror-News*. For 44 weeks ended Nov. 1:

	1959	1958
Revenues	\$79,855,159	\$69,379,582
Net income	3,762,192	2,478,191
Per common share	3.27	2.15
Common shares	1,152,000	1,152,000

United Telefilms Ltd. submitted for stockholder approval last week (22) a proposal to reorganize on a 1-for-4 consolidation basis and with a change of name to Creative Telefilms & Artists Ltd. Pres. G. P. Cass said the Toronto-based concern will expand by acquiring products in all phases of the entertainment field. United Telefilms' present authorized capital is 6 million shares, of which 3,993,000 are outstanding.

Thompson Ramo Wooldridge has acquired Radio Industries Inc., Des Plaines, Ill. maker of TV-radio transformers & ceramic disc capacitors, for 87,160 shares of TRW stock. Additionally, 36,894,542 shares of TRW stock have been allocated for distribution through 1964 to Radio Industries shareholders, according to a formula that will apply if RI's earnings increase. Privately held RI produces \$6-\$7 million sales annually. TRW Pres. Dean E. Wooldridge said that RI will be operated as a wholly-owned subsidiary, with no changes in management or personnel planned.

Associated TV Ltd., British commercial program contractor, seeks SEC registration of 50,000 shares of "A" ordinary registered stock in an application (File 2-15922) submitted by Morgan Guaranty Trust Co., N.Y.

Dominion Electrohome Industries Ltd. anticipates a 30% drop in profits in 1959 from record 1958 despite a slight increase in sales. Pres. C. A. Pollock of the Canadian TV-radio-phono concern told stockholders that "while this may seem a substantial drop, 1959 should still yield a good profit return on investment. Pollock noted that TV sales have slumped from 1958's level, that stereo is ahead but not up to expectations, that radio business is in trouble. "Imported transistorized radios from low-wage countries have been so competitive that the industry in both Canada & the U.S. has not been able to compete," he said. "Ways & means of meeting this competition are being intently studied; it may be some time before answer is found."

Muntz TV Inc. foresees a \$1-million profit on \$12-million sales for the 1960 fiscal year ending Aug. 31. Pres. Wallace A. Kiel said first-quarter sales, for the period ended Nov. 30, had more than doubled to \$4,082,000 from \$1,988,000 in the year-ago quarter. He said Muntz will offer a 1960 line of 24-in. sets, is looking at 19-in. picture tubes, and doesn't think the market is ripe "at this time" for 23-in. TV. Muntz, which concentrates 90% of its activities in TV, also will have stereo-TV combos, ranging from under \$200 to around \$350. Muntz is operating under Chapter X reorganization.

Eitel-McCullough will acquire for stock this week (31) 2 Geneva, Ill. electronics firms, National Electronics Inc. and Industrial Tubes Inc. Pres. W. W. Eitel of the San Carlos, Cal. tube producer said Eimac will issue 175,450 shares of its authorized but unissued capital stock in exchange for all the outstanding stock of the 2 Ill. concerns. John Hutchings, pres. of both National Electronics and Industrial Tubes, said the 2 companies anticipate combined 1959 sales of \$3 million. Both will be operated as wholly-owned Eimac subsidiaries.

Data-Control Systems Inc., Danbury, Conn. maker radio telemetry systems for missile & space programs seeks SEC registration (File 2-15943) of 122,500 outstanding common shares, 75,000 for public sale, 10,000 for employ stock-option plan, 37,500 for possible sale by present holders. The public sale, intended primarily to working capital (price & terms to be supplied in amended SEC statement), is underwritten on an all-or-nothing basis by C. E. Unterberg, Towbin Co.

Universal Pictures anticipates a net profit from operations approximating \$900,000 for the fiscal year ended Oct. 31, compared with fiscal 1958's loss of \$2,020,055. Total net will be about \$4.6 million, but includes a non-recurring profit of \$3,667,387 from the sale of the Universal radio last Dec. Decca Records owns about 87% of Universal's 900,000 common shares.

Reports & comments available: National Video Corp., prospectus, Bache & Co., 36 Wall St., N.Y. 5 . . . Allied Radio, analysis, Shearson, Hammill & Co., 14 Wall St., N.Y. 5.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco Corp.	Q	\$0.12½	Feb. 20	Jan. 29
Columbia Pictures ...	Stk.	2½%	Jan. 29	Dec. 29
Daystrom	Q	.30	Feb. 15	Jan. 27
Electronic Associates .	Stk.	3%	Dec. 31	Dec. 24
General Dynamics	Q	.50	Feb. 10	Jan. 8
Packard Bell.....	Q	.12½	Jan. 25	Jan. 11
Packard Bell.....	Stk.	2%	Feb. 11	Jan. 11