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1960

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**WEEKLY Television Digest**

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**FCC DOCUMENTS TV PROFIT CURVE:** If you have any lingering questions about the reasons for prices paid for TV stations nowadays, or for intense attention the industry continues to receive from the shrewd investment fraternity, cast your eyes on FCC's official 1959 TV financial report just released.

While rest of U.S. economy generally complains of fighting losing battle with rising expenses, TV continues to show dramatic profit increase—29.3% over 1958, to \$222.3 million. Total broadcast revenues rose 13% to \$1.164 billion, but expenses increased only 9.7% to \$941.6 million, accounting for the sharp profit rise. This is explained primarily in terms of manpower, which is lion's share of expense. Total employment increased only from 39,382 (10,054 network, 29,328 stations) in 1958 to 40,270 (10,127 network, 30,143 stations) in 1959. Thus, small manpower increase handled substantial revenue upsurge.

Biggest increase was in spot revenues—up 22.9% to \$424.2 million—while network time sales rose only 5% to \$445.8 million and local sales increased 10.6% to \$200.6 million.

For first time, Commission has segregated network figures from those of their 17 o&o's, documenting what has always been known generally—that o&o's really bring home the bacon, though networks haven't done badly. Networks handled lot more money than their o&o's, but latter kept more. Networks had revenues of \$438.5 million, o&o's \$137.6 million, but former retained only \$32 million in profits while latter kept \$55.9 million. The 502 non-o&o stations had profits of \$134.4 million on revenues of \$587.8 million.

Worth noting is sharp profit improvement of the 334 post-freeze vhf stations and cut in losses of the 77 uhfs. Former drove profits up to \$39.8 million from 1958's \$21.3 million, while latter cut losses from \$2.2 million to \$500,000. Also notable is resumption of the upward curve of the 93 pre-freeze vhfs (excluding the 17 o&o's). In 1957, they showed profits of \$82 million but dropped to \$75.8 million in 1958. In 1959, they rebounded to \$95.1 million.

Profits were reported by 74.6% of all stations. Only 9 of pre-freeze operators showed losses while 83 post-freeze did. Even uhfs improved somewhat: 35 with profit, 34 with loss, vs. 27 & 48 in 1958.

The report's 10 tables are chock full of intriguing breakdowns. For example, 12 stations had profits of more than \$3 million each; 9, \$2-3 million; 8, \$1.5-2 million; 36, \$1-1.5 million. Of the 126 losers, 85 reported suffering losses of less than \$100,000 each, while 3 went in hole more than \$800,000. Median profit of all stations was \$165,000 vs. \$162,000 in 1958. Median loss was \$55,000 vs. \$77,000 in 1958.

Piece de resistance of report is market-by-market table. Commission lists 80 markets individually, confining list to those with 3 or more stations and lumping their figures to mask each station's performance. Table is extremely useful for comparing similar markets—and shrewd operator can make pretty good guess at his competitors' figures. Therefore, we have reprinted table in full on opposite page. For copy of complete report, ask Commission. For digests of FCC's reports covering 1946-58, see p. 18, TV Factbook No. 30.

**CATV—STEADY AS SHE GOES:** Our semi-annual inventory of CATV, based on analysis of fresh data included in Fall-Winter TV Factbook No. 31, to be published Sept. 15, shows same picture reflected for last few years—steady growth.

Our well-educated guess, based on this most exhaustive inquiry of the industry, is that nearly 3 million people in U.S. get their TV via cable. Herewith are key figures derived from the 31-page directory:

- (1) 685 U.S. systems operating, compared with 660 six months ago. Canada, 172 vs. 164.
- (2) Total U.S. homes served: 706,524 vs. 669,921 last April. Canada, 119,129 vs. 105,841.
- (3) Potential of existing U.S. systems is 1,219,603, according to operators—vs. 1,180,351 in our last report. Canadian potential: 317,923 vs. 253,570.
- (4) Average number of subscribers per system: 1,187, vs. 1,220. Canada: 969 vs. 962. In U.S., 595 operators supplied figures for that average; in Canada, 123.
- (5) Average potential indicated by U.S. operators: 2,155 vs. 2,223. Canada, 2,373 vs. 2,243. Estimates were given by 566 U.S. systems, 134 Canadian.

A valuable innovation, we think, compiled at request of our subscribers, is listing of installation & monthly charges for each system—the only one extant, to our knowledge. This in addition to customary basic data: Name of company, address, phone, number of subscribers, estimated potential, date of start, make of equipment, principal officer, stations received & directory of firms or individuals owning 2 or more systems.

## Stations

**Radio Code Chief Due:** Employment of a full-time staffer to administer NAB's Radio Code under radio vp John F. Meagher was authorized last week by the new Code Board headed by Cliff Gill (KEZY Anaheim, Cal.).

Meeting at NAB's Washington hq for the first time since its appointment in June (Vol. 16:26 p10), the Board also approved plans for stepped-up subscription campaigns. They included: (1) Proselytizing at meetings of state groups of broadcasters. (2) Sales efforts by NAB's station relations staff. (3) Presentations at NAB's fall conferences.

Meagher will hire the Code director, whose duties will include preparation of a monitoring program intended to insure compliance by Code subscribers. Meagher told the Board that the subscription list—now open to non-NAB members—had passed the 600 mark.

Radio Code subscribers pay fees of up to \$360 per year in a scale based on 10 times a station's highest one-min. rate. Active NAB members get a 40% discount.

More TV-radio news training should be offered to journalism students, Chmn. Clair R. McCollough of NAB's Policy Committee told the Assn. for Education in Journalism at Pa. State U., University Park. He cited an NAB survey showing that among station news staffers, the number who had any journalism school training at all ranged from only 16% at small stations to 40% at large stations. McCollough offered 2 conclusions: (1) "The schools of journalism are not concentrating sufficiently on encouraging young people to go into radio or TV or, possibly, they are not specifically training students for such careers." (2) "The broadcasters themselves are derelict in not working closely enough with the schools of journalism."

Foreign TV-radio delegation of 17 specialists starts a 4-month tour of U.S. installations this week in a State Dept.-sponsored exchange program, now in its 7th year. The group represents 15 nations and is scheduled for a 2-week orientation course in Washington and a 2-week seminar at Syracuse U. After that will come visits to TV & radio stations from Oct. 31-Dec. 10.

# TV Station Income and Expenditures for 1959

In Markets with 3 or More Operating Stations — Compiled annually by FCC Economics Division

TV MARKETS No. of Stations in Operation in parentheses ( )	No. Re- porting \$25,000 or More Time Sales	Time Sales (Before Commissions)			Total Sta- tions Re- porting	Total Broad- cast Revenue (Less Commis- sions, Plus Talent & Pro- gram Sales)	Total Broad- cast Expenses	Total Broad- cast Income (Before Fed- eral Taxes)†
		National & Regional Advertisers & Sponsors	Local Advertisers & Sponsors	Networks				
Albany-Schenectady-Troy (3)	3	\$1,496,134	\$3,279,405	\$1,015,374	3	\$5,222,118	\$3,943,457	\$1,278,661
Albuquerque (3)	3	387,902	529,902	956,101	3	1,789,833	1,770,950	18,883
Altoona-Johnstown (3)	3	926,270	1,902,886	610,951	3	3,173,158	1,834,822	1,338,336
Amarillo (3)	3	390,082	558,295	1,019,093	3	1,902,348	2,209,812	(307,464)
Atlanta (3)	3	1,665,402	3,882,260	1,927,247	3	6,843,594	4,708,288	2,135,306
Austin-Rochester, Minn.-Mason City, Ia. (3)	3	331,590	675,986	656,491	3	1,657,455	1,255,544	401,911
Bakersfield (3#)	3	**	**	**	3	**	**	**
Baltimore (3)	3	2,095,636	5,791,622	2,741,610	3	9,501,287	6,771,219	2,730,068
Boise-Nampa (3)	3	198,110	264,712	490,316	3	957,654	1,031,245	(73,591)
Boston (3)	3	3,620,473	13,191,035	5,250,745	3	19,531,021	10,929,423	8,601,598
Buffalo-Niagara Falls (3)	3	2,120,106	6,081,427	2,528,814	3	9,489,944	5,535,546	3,954,398
Cape Girardeau, Mo.-Paducah, Ky.-Harrisburg, Ill. (3)	3	496,649	1,137,936	288,755	3	1,776,337	1,167,388	608,949
Cedar Rapids-Waterloo, Iowa (3)	3	767,833	1,570,413	406,612	3	2,586,691	2,466,645	120,046
Champaign-Urbana-Danville, Ill. (3#)	2	**	**	**	3	**	**	**
Charleston-Oak Hill-Huntington, W.Va.-Ashland, Ky. (4)	4	1,141,334	1,785,071	1,079,074	4	3,862,435	3,602,799	259,636
Chattanooga (3)	3	625,244	789,939	666,966	3	1,964,280	1,864,852	99,428
Chicago (4)	4	6,157,995	25,326,700	8,089,590	4	38,853,073	25,459,885	13,393,188
Cincinnati (3)	3	1,921,896	5,226,882	2,316,267	3	9,693,834	6,022,752	3,671,082
Cleveland (3)	3	3,410,650	9,004,293	3,378,499	3	15,597,292	8,556,984	7,040,308
Colorado Springs-Pueblo (3)	3	218,931	422,896	694,899	3	1,409,278	1,281,157	128,121
Columbus (3)	3	1,658,513	4,037,519	2,059,597	3	7,359,814	5,244,038	2,115,776
Dallas-Fort Worth (4)	4	2,151,027	4,528,844	3,130,689	4	9,154,910	6,874,851	2,280,059
Denver (4)	4	1,170,728	3,339,662	2,540,518	4	6,762,529	5,010,769	1,751,760
Des Moines-Ames (3)	3	1,714,493	2,354,917	623,101	3	3,555,151	3,070,381	484,770
Detroit (3)	3	4,255,444	10,042,253	4,406,172	3	17,448,502	9,774,506	7,673,996
El Paso (3)	3	324,770	688,084	781,002	3	1,769,313	1,693,224	76,089
Evansville, Ind.-Henderson, Ky. (3)	3	515,709	688,194	702,182	3	1,745,278	1,557,276	188,002
Flint-Saginaw-Bay City (3)	3	801,836	1,430,015	573,351	3	2,529,859	2,731,188	(201,329)
Fort Wayne (3)	3	689,688	919,222	819,191	3	2,294,557	2,114,808	179,749
Fresno (3)	3	793,309	1,560,522	803,858	3	2,726,868	2,697,036	29,832
Green Bay-Marinette (3)	3	810,075	949,858	762,141	3	2,382,073	2,154,676	227,397
Greenville-Spartansburg, S.C.-Asheville, N.C. (4)	3	682,145	1,175,812	696,612	4	2,403,235	2,128,173	275,062
Harrisburg-Lancaster-York-Lebanon (5)	5	1,160,705	2,517,521	1,059,653	5	4,006,615	3,164,810	841,805
Hartford-New Haven-New Britain-Waterbury (6)	6	1,637,003	5,922,295	1,264,620	6	7,918,570	5,463,827	2,454,743
Honolulu (3)	3	251,532	937,200	1,519,215	3	2,587,059	2,457,654	129,405
Houston-Galveston (3)	3	1,611,106	4,811,299	2,432,328	3	7,880,601	5,727,200	2,153,401
Indianapolis-Bloomington (4)	4	1,818,921	5,219,715	2,258,416	4	8,607,389	6,929,170	1,678,219
Kansas City (3)	3	2,071,416	4,939,280	2,040,989	3	8,208,491	5,407,404	2,801,087
Knoxville (3)	3	664,457	1,002,633	862,948	3	2,297,652	1,594,379	703,273
Las Vegas-Henderson (3)	3	86,414	218,647	698,218	3	1,106,255	1,283,052	(176,797)
Little Rock (3)	3	636,522	1,012,824	718,172	3	2,231,644	2,007,518	224,126
Los Angeles (7)	7	5,301,919	28,544,778	16,991,897	7	45,610,926	35,997,499	9,613,427
Madison (3)	3	523,772	816,604	556,820	3	1,817,217	1,402,192	415,025
Memphis (3)	3	1,591,759	2,851,841	1,064,970	3	5,023,018	3,194,106	1,828,912
Miami (3)	3	1,406,137	4,658,725	2,533,057	3	8,545,648	6,089,754	2,455,894
Milwaukee (4#)	4	1,923,868	5,514,731	1,875,030	4	8,404,758	6,003,610	2,401,148
Minneapolis-St. Paul (4)	4	2,407,662	5,069,538	3,643,611	4	10,814,919	8,308,899	2,506,020
Mobile, Ala.-Pensacola, Fla. (3)	3	487,450	962,562	995,654	3	2,420,905	2,308,766	112,139
Nashville (3)	3	1,253,878	1,609,265	1,672,263	3	4,104,684	3,479,137	625,547
New Orleans (3)	3	1,385,546	3,127,200	2,288,494	3	6,200,085	5,297,229	902,856
New York City (7)	7	11,070,449	53,851,982	10,570,115	7	69,534,724	40,211,596	29,323,128
Norfolk-Portsmouth-Newport News-Hampton (4#)	3	1,099,223	2,004,367	1,335,310	3	4,169,211	3,515,859	653,352
Oklahoma City-Enid (3)	3	1,356,211	2,837,652	1,336,460	3	5,331,520	3,816,434	1,515,086
Omaha (3)	3	1,352,903	2,414,862	928,197	3	4,518,601	3,536,512	982,089
Orlando-Daytona Beach (3)	3	523,252	714,132	919,231	3	2,013,814	1,885,758	128,056
Peoria (3)	3	663,479	977,404	790,905	3	2,344,963	2,263,462	81,501
Philadelphia (3)	3	5,135,599	16,278,444	3,994,387	3	22,463,765	15,292,951	7,170,814
Phoenix-Mesa (4)	4	727,307	1,467,115	1,834,560	4	3,954,279	3,806,646	147,633
Pittsburgh (3)	3	3,262,016	10,782,150	3,351,447	3	15,356,170	9,999,424	5,356,746
Portland-Poland Springs (3)	3	667,148	1,461,118	461,096	3	2,350,291	2,265,843	84,448
Portland, Ore. (4#)	3	1,463,191	4,129,601	1,504,665	3	6,148,534	4,545,880	1,602,654
Richmond-Petersburg (3)	3	1,053,234	1,286,808	684,560	3	3,043,175	2,583,167	460,008
Roanoke-Lynchburg (3)	3	862,516	1,140,628	691,228	3	2,503,362	2,136,654	366,708
Rochester (3)	3	1,105,090	2,246,297	1,146,603	3	3,985,948	3,029,537	956,411
Sacramento-Stockton (4#)	3	912,954	3,382,868	1,240,801	3	4,759,776	4,281,429	478,347
Salt Lake City-Provo (4)	4	918,571	1,384,452	1,402,011	4	3,651,350	3,947,809	(296,459)
San Antonio (4)	4	1,059,898	2,066,914	1,288,272	4	3,889,472	3,412,801	476,671
San Francisco-Oakland (4)	4	3,364,103	9,715,695	5,346,435	4	16,652,358	10,560,279	6,092,079
Scranton-Wilkes-Barre-Hazleton (3)	3	833,717	1,059,649	977,969	3	2,784,410	2,569,932	214,478
Seattle-Tacoma (5)	5	1,606,039	5,421,411	1,539,186	5	7,715,663	7,728,659	(12,996)
South Bend-Elkhart (3)	3	539,854	720,972	588,639	3	1,820,903	1,781,919	38,984
Spokane (3)	3	671,631	1,794,017	846,480	3	2,941,978	2,379,923	562,055
St. Louis (4#)	4	2,538,618	7,014,027	3,178,224	4	11,292,045	8,780,198	2,511,847
Tampa-St. Petersburg (3)	3	1,015,620	2,530,540	1,535,549	3	4,726,576	3,948,173	778,403
Tucson (3)	3	272,924	467,812	1,031,605	3	1,822,671	1,644,410	178,261
Tulsa (3)	3	1,098,586	2,004,693	933,773	3	3,725,304	2,923,454	801,850
Wailuku (3)	1	*	*	*	3	*	*	*
Washington (4)	4	2,431,379	6,947,540	2,314,162	4	11,178,905	8,890,261	2,288,644
Wichita-Hutchinson (3)	3	854,917	1,829,009	869,247	3	3,237,720	2,933,395	304,325
Youngstown, Ohio-New Castle, Pa. (3)	3	498,887	85° 943	420,146	3	1,716,613	1,532,442	184,171
Total 80 Markets (272)	265	\$119,566,512	\$343,806,366	\$150,925,986	267	\$567,232,444	\$410,518,528	\$156,713,916
Markets Less Than 3 Stations								
Total 191 Markets (253)	245	\$38,428,755	\$80,399,521	\$49,747,510	252	\$158,201,370	\$124,615,864	\$33,585,506
Total 271 Markets (525)	510	\$157,995,267	\$424,205,888	\$200,673,496	519	\$725,433,814	\$535,134,392	\$190,299,422

<sup>†</sup>Parentheses ( ) denotes loss. <sup>‡</sup>Not all stations in this market operated a full year during 1959. \*Data not published for groups of less than 3 stations. \*\*Data withheld because third station in this market in operation for short period during 1959.

**NEW & UPCOMING STATIONS:** It's been a slow year for new TV stations. Only 14 U.S. outlets have begun operation thus far—of which 4 are non-commercial educational outlets. Of the 10 commercial starters, 3 were satellite operations, for the added coverage of parent stations. The 10 commercial starters included the 2 uhf outlets of KNBS (Ch. 22) Walla Walla, Wash., and WPCA-TV (Ch. 17) Philadelphia—and the latter is charging only enough to meet operating costs (Vol. 16:27). Canada has started 5 new outlets this year—3 of them unattended satellite repeaters.

\* \* \*

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

**KERA-TV** (Ch. 13, educational) Dallas, Tex. has given up plan for early start with limited programming and expects to begin with full schedule Sept. 11, according to Martin Campbell, exec. dir. It has temporary studio-office at 3000 Hines Blvd., near standby transmitter and 300-ft. tower it purchased from WFAA-TV (Ch. 8), which is completing \$3.5-million plant adjacent to building of parent *Dallas Morning News*.

**CKAM-TV** (Ch. 12) Campbellton, N.B. has 11-kw RCA transmitter installed and plans Sept. 12 start as satellite of parent CKCW-TV (Ch. 2) Moncton, N.B., reports Keith B. MacConnell, chief engineer of CKCW-TV. Microwave link with Moncton needs only adjustments for CKAM-TV to begin as unattended repeater unit. CKCW-TV base hour is \$400. Reps are Young Canadian and Stovin-Byles.

**WFSU-TV** (Ch. 11, educational) Tallahassee, Fla. has 10-kw GE transmitter installed and wired and plans Sept. 19 programming, writes Roy Flynn, dir. of Fla. State U. bestg. services. It has 777-ft. Klein tower and GE antenna ready for operation at site in Apalachicola National Forest Junction, near Holland, Fla.

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FCC's denial of site move for WNHC-TV (Ch. 8) New Haven after protest by WWLP (Ch. 22) Springfield, Mass. (Vol. 16:32 p8) has been appealed to the courts by WNHC-TV. FCC had said that the primary reason for the denial was that the move would jeopardize a uhf station. WNHC-TV stated, among other things, that "the record is devoid of any probative evidence that protestant will suffer any diminution of revenues as a result of WNHC-TV's proposed move." In a separate appeal, WNHC-TV said that the FCC erred in failing to take into account WWLP's acquisition of  $\frac{1}{3}$  interest of WHNB-TV (Ch. 30) Hartford, WWOR (Ch. 14) Worcester and several translators in the area.

**Purchase of KBAK-TV** Bakersfield, Cal. (Ch. 29) by Reeves Bcstg. & Development Corp. is first move in plans to expand TV holdings, according to vp J. Drayton Hastie. Reeves, which manufactures audio equipment and also operates WUSN-TV Charleston, S.C. (Ch. 2), acquired KBAK-TV for \$1 million (including some \$250,000 in obligations) from the *San Francisco Chronicle*, which also operates KRON-TV San Francisco (Ch. 4). Broker was Hamilton-Landis & Associates.

Sale of radio KXOK St. Louis to Storz Bcstg. Co. for an amount in excess of \$1.5 million was reported by Elzey M. Roberts Jr., co-owner of KXOK with C. L. Thomas. Storz operates radio stations WDGY Minneapolis, WHB Kansas City, KOMA Oklahoma City, WTIX New Orleans & WQAM Miami, Fla.

## Congress

**PAYOLA LAW FINALLY VOTED:** Senate-rewritten "Communications Act Amendments, 1960"—which will go down in broadcasting lawbooks as the Harris-Pastore Act—sailed through the House and on to the White House last week.

The modified Senate version of the bill (S-1898) outlawing payola and authorizing FCC to fine stations \$1,000 per day for defiance of Commission rules & orders (Vol. 16:35 p1) was accepted by the House in a voice vote Aug. 30—just 2 days before Congress adjourned.

House Commerce Committee Chmn. Harris (D-Ark.) had little trouble carrying out his agreement with Senate Commerce Communications Subcommittee Chmn. Pastore (D-R.I.) that no serious House objections to the Senate's softening changes in the original House amendments to S-1898 would be raised. As first voted by the House in July, the bill provided 10-day license suspensions as well as cash forfeitures as penalties against stations (Vol. 16:27 p1). The Senate knocked out the suspensions and wrote in procedural safeguards for broadcasters.

The only real obstacle which Harris had to overcome in completing Congressional action on S-1898 was Rep. Bennett (R-Mich.), ranking minority member of the House Committee. Frequently at policy odds with Harris on TV-radio-FCC issues, Bennett once again raised a cry that the legislation wouldn't cure broadcasting abuses unless it brought networks under FCC regulation.

House approval of the revised bill had been urged by NAB govt. relations vp Vincent T. Wasilewski, who told Harris: "The Senate-passed version, while not meeting the objectives of all concerned, is one to which the NAB can give its support, and we express to you our earnest desire that it be adopted by the House."

### Further Steps by Harris

Following the House vote, NAB Policy Committee Chmn. Clair R. McCollough said:

"NAB is happy that Congress removed from the legislation a proposal to permit the FCC to suspend station licenses. This would have placed an intolerable burden on individual broadcasters. While NAB believes that fines are unnecessary, it is pleased that legislation enacted contains provision for appeal to the courts & other safeguards."

With the Harris-Pastore Act signed, sealed & delivered to the White House, and the 1960 legislative season for broadcasters closed, Harris added some footnotes to this session's sensational Oversight Subcommittee probes.

He called the Subcommittee into tag-end hearings to explore evidence of "irregularities & even possible corruption" in ICC operations—and to wrap up some loose ends & "conflicts" of testimony in the payola investigations.

Playing return engagements before the Subcommittee were gen. mgr. Paul G. O'Friel & ex-disc jockey Norman Prescott of Westinghouse Bcstg. Co.'s radio WBZ Boston, who had been featured performers at public & private hearings in February (Vol. 16:7 p6).

Objecting to secret February testimony by Prescott which was later released by the Subcommittee, O'Friel protested that Prescott "tried to leave the impression that I was aware payola existed at WBZ and did nothing to stop it." O'Friel said "this is absolutely untrue."

In his rebuttal turn on the stand, Prescott (now a film PR man in N.Y.) flatly contradicted O'Friel. He said O'Friel had ordered him to offer extra air time to at least 10 N.Y. record firms in return for \$12,000 worth of albums.

"Growing octopus control" of TV & radio stations and newspapers by Samuel I. Newhouse has been assailed by Sen. Morse (D-Ore.). "It is a rather shocking thing," he told the Senate in a speech demanding "a Congressional investigation of the type of monopolistic practices the Newhouse so-called newspaper, radio-TV chain is developing in this country." The speech was one of a series of attacks on Newhouse by Morse, who has been particularly critical of tactics by the publisher-broadcaster in the long *Portland Oregonian* strike. Morse cited Newhouse's partial purchase of the *Springfield (Mass.) Union, News and Republican* (Vol. 16:26 p10) as another "threat to sound public policy in this country." (For Newhouse TV-radio interests, see TELEVISION FACTBOOK No. 30, p. 269).

Microwave-regulation authority was finally won from Congress by FCC last week. The House approved a bill (S-1740) passed by the Senate in Aug. 1959 amending the Communications Act to bring it in line with point-to-point-circuit advances since the original law was enacted in 1934 (Vol. 16:35 p6). As polished by the House Commerce Committee and accepted without debate on the floor, the Senate's amendment to Sec. 202 read: "Charges or services, whenever referred to in this Act, include charges for, or services in connection with, the use of common carrier lines of communication, whether derived from wire or radio facilities, in chain broadcasting or incidental to radio communications of any kind."

USIA is falling down in strife-torn Africa, 4 critics of the agency charged in Senate speeches. Leading the attacks on USIA, whose budget was cut by Congress in July (Vol. 16:35 p6), was Sen. Carlson (R-Kan.). He read a letter from the wife of an American missionary, now in the Congo, who said Voice of America broadcasts there had been jammed for 5 months while radio propaganda from Moscow, Red China and Cairo came in loud & clear. Sen. Holland (D-Fla.) said USIA has been "very derelict" in its duty. Sen. Yarborough (D-Tex.) said it was time for USIA to start moving fast. Sen. Frear (D-Del.) agreed the agency hadn't been responsive enough to African crises.

TV is bright spot in the weekly routine of Senate Minority Leader Dirksen (R-Ill.), he told the Senate. Chided by Majority Leader Johnson (D-Tex.) for taking time out from floor business for "a TV performance" every Tues. morning at the White House, where Republican leaders confer regularly with President Eisenhower, Dirksen said: "I would not give it up for anything." How else, Dirksen asked, would he get "an opportunity to ventilate his opinions & views over 3 networks?" The weekly exposure to TV news cameras at the White House "is one of those priceless things," he said.

Stepped-up monitoring of election campaign behavior by TV & radio stations was approved by the Senate last week. It voted to give \$150,000 more (for a total of \$185,000) to Chmn. Yarborough (D-Tex.) of the Commerce Freedom of Communications Subcommittee for his "watch-dog" operations in the field (Vol. 16:35 p3). He plans to expand his tiny subcommittee office staff by hiring contract investigators to look into any reports that broadcasters are violating the Communications Act's equal-time Sec. 315.

NAB-lobbied exemptions for smaller-market TV & radio stations from overtime requirements of the Fair Labor Standards Act (Vol. 16:34 p5) were shelved in Congress last week. Senate-House conferees on Democratic-sponsored minimum wage bills failed to agree and the legislation—including the non-controversial exceptions for broadcasters—died.

## The FCC

**"REGULATORY LAG" HIT AGAIN:** Another brave start toward doing something about time-consuming procedures of FCC & other federal regulatory agencies was made in Washington last week—this time by President Eisenhower.

Responding to a joint plea by heads of the "Big 6" agencies—FCC, FTC, FPC, CAB, SEC, ICC—the President agreed to call a White House conference to study ways of taking lags out of their work and putting some speed into it.

Chief Judge E. Barrett Prettyman of the Court of Appeals for the D.C. Circuit, who presided at a 1953-54 White House conference on the same administrative problems, was named temporary chairman of the new setup. No date for convening the first 1960 meeting was set. But the President was expected to send out his formal call within the next few weeks after the agencies have drawn up lists of staffers to represent them.

In asking for the White House-sponsored study on a "comprehensive, organized scale," FCC Chmn. Ford & the other "Big 6" chiefs cited "cumbersome procedures, unnecessary expense and delays which have been steadily increasing in some of the procedures of the administrative agencies."

The agency heads quickly made it clear, however, that they didn't want the new conference to try to tell them how to run their business. The conference shouldn't "attempt to impose rules or procedures upon the agencies, but act in an advisory capacity only," they told the President.

### Magnuson Pledges Cooperation

Full cooperation with the President's plan was pledged by Sen. Magnuson (D-Wash.), whose Commerce Committee will undertake a major investigation of agency procedures next year (Vol. 16:33 p3). Magnuson said he's in favor of anything that will cut "red tape, delay and costs" in regulatory processes.

The need for procedural streamlining was stressed meanwhile by FCC Comr. Hyde at a panel session of the American Bar Assn.'s convention in Washington (see p. 7). Hyde said it sometimes takes FCC 2 years to write an opinion, that even an uncontested case can require a year for processing.

"There are simply too many cases where litigants have not survived the process," Hyde said. "If a regulatory agency can be trusted to decide substantive matters involving millions of dollars, surely it can be given some discretion in procedural matters, too."

Supreme Court Justice Tom C. Clark told another ABA session that "present habits as well as bad procedural behavior of the agencies can be largely corrected within the present statutory framework." But he suggested it would be a good idea if the White House conference idea were expanded into a regular top-level operation to police the agencies.

As it is, said Clark, the agencies have bad habits of piling up case records that include "everything but the kitchen sink" and of "procrastination on over-all policy determinations." He complained that no Supreme Court session "passes but that we get some agency case which discretion says never should have been brought, but which some over-zealous attorney has taken on as a pet project."

Hyde & fellow-panelists Whitney Gilliland (CAB), Jerome K. Kuykendall (FPC) and John H. Winchell (ICC) agreed that biggest blame for regulatory lags lay in leg-

isolation binding the agencies to set procedures. They also told the ABA delegates that lawyers practicing before the agencies often do their bit, too, by taking advantage of every delaying tactic permitted by law.

Lawyers were criticized by FTC Chmn. Earl W. Kintner, too. At another convention panel session, Kintner let loose at "carping & sniping and moaning & groaning" by attorneys over federal regulation of their clients. "Enforcement officials," he said, "should receive the assistance of a responsible legal professional and not a barrage of efforts to thwart or belittle enforcement."

Kintner also took some swings at unnamed members of Congress who make off-the-record appeals to agencies on behalf of their constituents. At his suggestion, the convention recommended that the agencies adopt rules preventing such Congressional interference.

"Many proposals have been advanced for changes in administrative procedures," but none has seemed to have worked out so far, the joint agency letter to the President pointed out.

Among them: A proposal by ABA itself that an overall Office of Administrative Practice be established. This idea, incorporated in an ABA-drafted agency-reform bill (S-600), was kicked around—but got nowhere—in 1959 hearings by the Senate Judiciary Administrative Procedure Subcommittee headed by Sen. Carroll (D-Colo.).

The ABA's super-agency plan was submitted as a companion measure to sweeping anti-ex-parte bills (S-2374 & HR-6774) which the lawyers also tried without success to push through the Senate Subcommittee (Vol. 16:24 p4) and the House Commerce Legislative Oversight Subcommittee (Vol. 16:26 p1).

Another proposal: An inter-agency Advisory Council on Administrative Problems, set up in 1959 under the aegis of the Oversight Subcommittee headed by Rep. Harris (D-Ark.). Little has been heard of it since it held one of its first meetings—with much fanfare—more than a year ago (Vol. 15:30 p5).

Another: Administrative courts to take over some judicial functions of the agencies, stripping them of much of the power they now have. Still another: Establishment of a permanent conference of agency representatives & lawyers to keep a continuing watch on how procedures are working.

Panel discussion by FCC dept. heads and an FCC Commissioner will be a highlight of the 10th annual broadcast symposium of IRE's Professional Group on Broadcasting Sept. 23-24 at the FCC and the Willard Hotel. The Commission panel, at FCC hq, will be followed by a tour of the Commission. Technical papers will be presented on the following subjects, selected by questionnaire of members of the professional group: TV station automation, videotape recording, automatic program logging, high tower construction, image orthicon tubes, solid-state rectifiers, TV & AM directional antennas, advanced measurement techniques.

FCC waived mileage separation requirements to grant educational KETC (Ch. 9) St. Louis permission to change its transmitter site to Boatman's Bank Bldg. The grant is conditioned on KETC accepting any interference which may result from a station operating on educational Ch. 9 in Evansville, Ind., as yet unoccupied.

Allocations petition: By radio KSUE Susanville & KVIP-TV Redding, Cal. to add Ch. 9 to Susanville.

Influence of courts on FCC decisions & policies has been substantial & unpredictable, FCC Chmn. Ford pointed out Sept. 2 in a speech before the W.Va. Bar Assn. in White Sulphur Springs, W.Va. He gave examples of court decisions in major cases, noting particularly how the judges in recent years have stepped into areas previously left entirely to Commission discretion. Ford said he was pleased to report that the Commission had lost only one case out of 17 in the year ending June 30—compared with 12 out of 33 the preceding year and 13 out of 25 the year before that. "It may be overly optimistic," he said, "but I would like to attribute our recent score of successes in some measure to the development of a greater mutual understanding between the Commission & the courts." Ford thus put delicately what most people put in blunter terms—that judges aren't immune to the climate of the times and were obviously wary of the Commission after "influence" cases were exposed, and that the FCC had dropped into the habit of issuing easily-assailed decisions. Some of the courts' far-ranging decisions, Ford said, bear out an opinion of U.S. Supreme Court Justice Harlan: "Suffice it to say, that the courts have rarely, if ever, felt themselves so restrained by technical rules that they could not find some remedy, consistent with the law, for acts, whether done by govt. or by individual persons, that violated natural justice or were hostile to the fundamental principles devised for the protection of the essential rights of property."

FCC's all-uhf plan for Fresno & Bakersfield has been assailed in almost 600 comments filed. They request that Fresno's Ch. 12 & Bakersfield's Ch. 10 be retained in those cities for educational use. The comments came from individuals, civic organizations, cultural groups, etc. The FCC has deleted KFRE-TV's Ch. 12 from Fresno, proposes to remove KERO-TV's Ch. 10 from Bakersfield.

## Programming

**Oscarcast to ABC:** The movie industry's Academy Awards telecast, on NBC-TV for the past 8 years, went to ABC last week, after it outbid the other networks for exclusive TV-radio rights for the next 5 years. ABC's bid was \$561,000 a year. The movie industry paid NBC-TV last season approximately \$900,000 to sponsor its own Award event (Vol. 15:12 p.9).

The Academy retains the privilege of "reasonable" sponsor approval, and there will be no station-break local spot commercials during the 90-min. simulcast. The Academy's Pres. B. B. Kahane said it will underwrite program costs, but that ABC will pay for certain production costs. The Academy would not disclose how much ABC had outbid NBC-TV. A CBS-TV bid had been rejected earlier as too low. For the past 3 years the movie industry itself had sponsored the event, but after the Motion Picture Producers Assn. of America decided against continuing, the Academy had opened the event to commercial sponsorship.

ABC's successful Oscarcast bid represented a remote-control victory for AB-PT Pres. Leonard H. Goldenson, who has been stalking the Oscarcast for more than a year. To the AB-PT pres., the Oscar event is a natural for ABC-TV because of its family link with Paramount Theaters and the motion picture industry.

Public-service idea: WJW-TV Cleveland in cooperation with the Red Cross has started telecasting a 13-week course in home nursing. The 15-min. thrice-weekly shows go on the air at 7 a.m.

**ABA KEEPS CANON 35:** Debate on broadcasting subjects—ranging from FCC procedures to crime on TV—enlivened the multi-session agenda of the American Bar Assn.'s convention in Washington last week.

But the lawyer-delegates once more bypassed a legal subject which many broadcasters regard as the liveliest of all—repeal or revision of the ABA's Canon 35 of Judicial Conduct which effectively bars news microphones & cameras from most U.S. courtrooms.

As he did at the ABA's 1959 convention in Miami (Vol. 15:37 p7), Chmn. Whitney North Seymour, of a bar-&-media Canon 35 study committee, filed a little-or-no-progress report to the ABA's House of Delegates. He reported that his committee has had few meetings since it was set up early last year, is still trying to find a well-heeled foundation willing to finance a thorough-going look at Canon 35 by lawyers & newsmen (Vol. 16:8 p12). The committee's life was extended for another year.

Speaking now as the incoming ABA president, Seymour held out little hope to TV & radio or newspapers that any relaxation of Canon 35 was imminent. Speaking in March at NAB's Chicago convention, where he appeared as special NAB counsel on broadcasting's Constitutional rights, Seymour had warned the industry that ABA sentiment was strongly in favor of retaining Canon 35 as is—and was unlikely to change.

**Result:** Seymour's Canon 35 report was routinely received & filed—as usual—by the House of Delegates.

#### Other Broadcasting-Related Sessions

Much more interest was displayed by the ABA delegates at other convention sessions in discussions of other broadcasting issues which also involve lawyers:

**FCC & other regulatory agencies:** Joined by CAB, FPC and ICC spokesmen, FCC Comr. Hyde called for more legislative leeway to permit govt. regulators of business to streamline their procedures. The panelists also called on lawyers to help them by refraining from snarling cases in legal tangles. The House of Delegates formulated no over-all solutions to agency problems, but did pass a resolution recommending rules discouraging interference in cases by members of Congress.

**Crime on TV:** British lawmaker & visiting delegate Charles Fletcher-Cooke said that complaints that TV thrillers encourage juvenile delinquency are almost universal. But he suggested delinquency is "usually the parents' own folly & inability to control their children." NAB TV vp Charles H. Tower agreed that parents can't pass the buck to TV. He also cited "a tremendous popular demand" for cops-&-robbers shows; "Matt Dillon will beat Bill Shakespeare to the draw every time, by a wide margin."

**Portrayals of lawyers on TV:** Herman F. Selvin of Los Angeles, where the issue has been debated hotly (Vol. 16:31 p11 et seq.), said lawyers shouldn't go on TV themselves, that the practice brings the profession in disrepute. He was disputed by fellow Los Angeles lawyers Richard F. Hayden & Quentin C. Ogren and by Gilbert Giordano of Washington. They argued it was better for lawyers to play their own roles on TV—or supervise courtroom drama—than to have legal procedures misrepresented by TV producers' notions. (An honor guest of the convention was Raymond Burr of CBS-TV's *Perry Mason*, which won an ABA "Gavel Award." See next column.)

**Closed-circuit TV in court:** Chicago handwriting & documents expert Linton Godown predicted that closed-circuit TV systems soon may be regular courtroom equip-

ment. He demonstrated techniques by which a jury can watch a screen while a camera is pointed over the shoulder of a witness at trial exhibits. The equipment "costs less than your car," Godown told the lawyers.

Note: another feature of the ABA convention was a party thrown at the Army-Navy country club by the Federal Communications Bar Assn. for 100 visiting lawyers from British Commonwealth countries.

\* \* \*

TV "Gavel Awards" of the American Bar Assn. for "outstanding contributions to public understanding of the American legal & judicial systems" were presented to: Westinghouse's KPIX San Francisco for the documentary "A Life in the Balance." NBC's WRC-TV Washington for "increasing public understanding of the role of juvenile courts." Paisano Productions, Hollywood, producer of CBS-TV's *Perry Mason*. Tulane U., New Orleans, *With Justice for All*. Radio "Gavel Awards" went to: NBC's WRCV Philadelphia, *Law in Action*. WHAS Louisville, *It's the Law*. Newspaper winners of ABA awards were the *Washington Post*, *Pittsburgh Post-Gazette*, *Portland Oregonian* and Decatur (Ill.) Lindsay-Schaub newspapers.

\* \* \*

Seeking to avoid Bar Association ban against lawyers appearing in TV "trial" dramas (Vol. 16:31 p11), Los Angeles stations have agreed to accept a set of rules regulating such appearances. The L.A. Bar Assn. wants to end lawyer appearances altogether and the issue is now before the American Bar Assn. UCLA Prof. Edgar A. Jones, who plays a judge on TV shows, said the new rules were coordinated with the special committee named by the Cal. State Bar Assn. to investigate the situation. He declined to reveal details of the rules, pending further meetings.

■ ■ ■

**Nixon-Kennedy debate formats** call for a campaign total of 4 TV-radio simulcasts of 60-min. duration piped to all networks. Two of the sessions will be face-to-face debates; the other 2 will feature panel interviews by newsmen. The Presidential rivals will share the same studio in the debates, although split-screen may be used in the interview shows if the candidates are in different cities. Agreement on these points was reached Aug. 29 at a Washington meeting of Republican & Democratic TV-radio officials. Final details of the staging, networks said in N.Y. last week, are still to be resolved. There will, as reported earlier (Vol. 16:32 p2 et seq.), be no sponsorships. In a 2nd meeting last week (Aug. 31), the networks & political officials agreed that the dates for the debates would be Sept. 26, Oct. 13 and Oct. 21 with Oct. 8 set tentatively as the 4th date.

**Groucho Marx**—or his press agent—got on the House floor last week with an equal-time complaint. He sent a telegram to Commerce Committee Chmn. Harris (D-Ark.) protesting that the appearance by Vice President Nixon on NBC-TV's *Jack Paar Show* (Vol. 16:35 p1) discriminated against the Marx comedy show on the same network. The same went for an earlier *Paar* appearance by Sen. Kennedy, Marx said. Harris read the wire to the House, commented: "It does raise the question of equal time in a different light."

**Public service:** Arizona's *New Arithmetic*, a 5-part series on a new method of teaching arithmetic, produced by KTVK Phoenix, is being shown by that station and KGUN-TV Tucson this week. The program is directed primarily to teachers, instructs on teaching the new method.

Dore Schary's Civil War series planned by the writer-producer under a 1960-61 season contract with NBC-TV has been put on the shelf, the network has revealed. NBC, however, indicated it may call on Schary at a later date for some TV shows. His busy schedule was not the sole factor in NBC's decision to pigeonhole the Civil War project, according to N.Y. sources. Although there's plenty of interest in the Civil War, it's necessarily partisan. Many sponsors & agencies therefore are approaching Civil War TV shows (apart from the simplest forms of action-adventure) with buying caution.

Republican convention TV national audience totaled 36.9 million families, according to A. C. Nielsen figures released last week. Daily convention audiences ranged from a Monday high of 29.9 million homes to a Thursday low of 27.7. During the convention's total running time of 17 hours, an average of 12.9 million homes watched during each minute. The Democratic convention, telecast earlier in July, outdrew the Republican meeting 38.7 million to 36.9 million homes, but also continued later each session and ran one day longer, Nielsen noted (Vol. 16:34 p12).

Eight pre-election specials are being bought by Longines-Wittnauer Watch Co. on NBC-TV. The full-sponsorship purchase—which calls for 60-min. political-affairs shows to be telecast in the Sat. 9:30-10:30 p.m. slot starting Sept. 17—is the watch firm's first major TV buy this season and its first political-programming buy. Four of the NBC-produced shows, all of which will be under the direction of Julian Goodman, will feature NBC's Huntley-Brinkley team; the other 4 will feature Frank McGee. Ad agency that proposed the NBC buy to L-W: Victor A. Bennett Co.

Papal TV-radio-press secretariat named by Pope John XXIII to prepare for an upcoming ecumenical council includes Msgr. James I. Tuecek, Rome correspondent of the National Catholic Welfare Conference news service, and Rev. George F. Heinzmann of the Maryknoll Society. Americans named as consultants to the secretariat include Archbishop William E. Cousins of Milwaukee, Bishop James A. McNulty of Paterson, N.J., Bishop Albert Zuroweski of Belleville, Ill., and Msgr. Timothy Flynn of the N.Y. diocese's radio & TV center.

KOA-TV & KOA Denver, NBC affiliates, are offering 4 half-hours of prime time for debate at no charge to Colorado Senatorial candidates Sen. Gordon Allott and Lt. Gov. Robert Knous. Station Pres. William Grant wired the candidates that specific half-hours, following 4 of NBC-TV's projected Presidential-campaign debates, would be reserved for them. The wire further stated that if additional candidates for the Senate become legally qualified before the Sept. 23 deadline, they will be included.

Kudos to NBC-TV for its upcoming discussion-&-debate series on *The Nation's Future* have been awarded by Rep. Giaimo (D-Conn.). "This is TV programming at its best," he said in a *Congressional Record* statement. Giaimo said that in the past he had criticized "the indifference to the public interest revealed in certain TV & radio practices," but that such shows as *The Nation's Future* provide "the kind of programming America needs."

The stand-up comedian will continue to remain seated in the new TV season. Only Jack Benny and Red Skelton will return with weekly series—and Milton Berle will be on as m.c. of a bowling show. Bob Hope will star in 8 specials, and there may be occasional appearances by such as Mort Sahl and Sid Caesar. But missing will be Jackie Gleason, George Gobel and Jerry Lewis. Non-stand-up comedy will retain regulars Groucho Marx, Danny Thomas.

## Advertising

**Govt. Confirms TV Set Count:** The govt. made it official last week. Nearly 9 of every 10 U.S. households—or 88%—now have TV sets, the Census Bureau reported.

This was the precise TV-saturation percentage figure estimated in June by the American Research Bureau in its county-by-county survey (Vol. 16:25 & Supplement No. 6).

In its TV-households report—7th in a series conducted since 1955 at the request & expense of the Advertising Research Foundation—the Census Bureau also said that in May 11% of all households had 2 or more sets vs. 8% in May 1959 and 7% in Jan. 1958.

Households with only one set constituted 77% of the total TV count, which left only 12% without TV. The 88%-saturation figure compared with 86% in May last year, 83% in Jan. 1958—and 12% in April 1950.

Other findings in the Census Bureau's May count this year: (1) Among households in standard metropolitan areas, 91% had one or more sets. (2) Outside metropolitan areas, 82% had sets. (3) The Northeast was highest (92%) in set ownership, followed by North Central states (89%) and the West (87%), trailed by the South (82%). (4) Rural farm households raised set ownership to 76% vs. 73% in May 1959 and 68% in Jan. 1958.

Note: Copies of the Census Bureau's report (Series H-121, No. 7) *Households with Television Sets in the United States, May 1960*, may be obtained for 10¢ from the Bureau of the Census, Washington 25, D.C., or from Commerce Dept. field offices.

FTC's TV ratings probe, under way since May (Vol. 16:19 p4), has spread to N.Y. & Chicago, where the agency's field staffers are gathering preliminary data on the operations of all leading services. Purpose of the investigation is to explore methods of the services and see whether subscriber stations have used ratings unfairly against competitors in promotion, according to FTC Chmn. Earl W. Kintner. He has reported no findings so far.

Trend to single TV rate is growing in the wake of strong support by Station Reps Assn. for uniform spot TV rates for local, regional & national advertisers. A check-up we made late last week with SRA managing dir. Lawrence Webb revealed that letters from about 75 stations "are running 6-to-1 in favor of the single-rate plan." Those opposed fear the financial drawbacks of reducing national rates & the loss of local sponsors which would occur from raising local rates.

"How to create the TV ID," a pamphlet designed for stations, advertisers and admen, was distributed last week by TvB. The presentation is a summary of basic guides toward producing effective-but-inexpensive 10-sec. TV spot-commercials.

### U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WBKB Chicago .....	\$3000 to \$4000	\$825 to \$1000 <sup>1</sup>	2
WDAF-TV Kansas City ..	1300 to 1400	350 to 400	Aug. 1
XETV Tijuana-San Diego ..	800 to 1000	200 to 250	Sept. 1
KETV Omaha .....	900 (no change)	225 to 245 <sup>3</sup>	Aug. 1
WRAL-TV Raleigh .....	750 to 850	150 to 170	Aug. 1
WIS-TV Columbia, S.C. ....	575 to 650	175 to 200	Sept. 1
KTVK Phoenix .....	600 (no change)	100 to 135	Aug. 1
WESH-TV Daytona Beach ..	400 to 500	90 to 105	Aug. 1
KROD-TV El Paso .....	495 (no change)	109 to 125	July 1
WCAX-TV Burlington, Vt. ....	450 (no change)	90 to 105	Sept. 1
WECT Wilmington, N.C. ..	425 (no change)	85 to 100	Sept. 1
WTVM Columbus, Ga. ....	300 to 400	60 to 90	3
KSYD-TV Wichita Falls ....	400 (no change)	80 to 100	2

<sup>1</sup>20 Sec. Rate. <sup>2</sup>Not reported. <sup>3</sup>20 Sec. remains \$225.

**9% Ahead At Half:** The national ad volume passed 1960's halfway mark with a cumulative 9% lead over the year-earlier pace, reports *Printers' Ink*. All major media with the sole exception of network radio (down 7%) contributed to the Jan.-June gain, the latest index shows. The pace-setters: magazines (17%), newspapers (8%), network TV and business papers (7%).

Although network radio lagged in first-half total business, it continued to display strong 2nd-quarter comeback strength in closing the gap (Vol. 16:31 p7). It soundly outscored all major media both in June-from-May business (17%) and in June over June-1959 (17%). With the exception of outdoor, network TV was the only other medium to show gains in both periods: 8% in June vs. June, 4% in June vs. May. Magazines' June business was 13% ahead of a year ago, but down 1% from May. Newspapers were ahead 5% in June-to-June comparisons, but 2% behind May.

Medium	Index		% Change from			% Cumulative Change
	June 1960	June 1959	1 month ago	1 year ago		
<b>General Index</b>	243	225	- 1	+ 8	+ 9	
Total Magazines	193	171	- 1	+13	+17	
Weekly	226	196	0	+15	+22	
Women's	129	119	- 8	+ 8	+10	
General Monthly	232	208	- 1	+12	+12	
Farm	95	97	+ 9	- 2	+ 2	
Newspapers	220	210	- 2	+ 5	+ 8	
Network Television	492	456	+ 4	+ 8	+ 7	
Network Radio	27	23	+17	+17	- 7	
Business Papers	242	232	- 6	+ 4	+ 7	
Outdoor	171	161	+ 3	+ 6	+ 5	
1st Qtr. 1st Qtr.	'60	'59	'59	ago		
Spot TV*	762	672	+ 3	+13	+13	

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 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. \*Spot TV data, although shown monthly, report the preceding quarter's activity.

Network TV got the biggest ad budget slice of the nation's top 100 national advertisers during 1959, *Advertising Age* reiterated in its annual profile study of company-by-company advertising expenditures. Over-all total for the top 100 was \$2.5 billion in 1959, up 9% from 1958's \$2.3. The breakdown by media: Network TV \$522.7 million; newspapers \$338.5; spot TV \$327.5; magazines \$294.7; spot radio \$76.2; outdoor \$64.3; business publications \$41.8, and farm publications \$15.4. General Motors Corp. was again the nation's top ad spender, with a \$155-million budget. P&G was 2nd with \$123 million.

Sunday supplements blame TV for their slipping ad volume, reports *Wall St. Journal*, noting that the 4 nationally-syndicated supplements—*American Weekly*, *Family Week*, *Parade*, *This Week*—have registered ad-lineage declines for 1960's first 7 months. Comments the *Journal*: "The decreases [vs. Jan.-July 1959], ranging from *American Weekly*'s 33.7% to *This Week*'s 5.9%, contrast with ad-lineage gains for most general magazines (*Look*, up 19.4%; *Time*, 7.2%; *SatEvePost*, 7.5%). Several supplement officials think their publications have been losing ad dollars to spot TV."

**Ad People:** Howard Kramer, Bertram F. Mulligan, Richard H. Hurley and Harold V. Rover named Compton vps . . . Frederic W. Wile, ex-NBC-TV, MGM-TV, John Guedel Productions, named managing dir. of West Coast operations for Advertising Council.

## Obituary

Paul Russell, 45, a BBDO vp, died Aug. 29 of a heart attack at his home in New Canaan, Conn. He is survived by his wife, son and daughter.

**U.S. Court of Appeals** decided last week in favor of H. F. Ritchie, manufacturer of Brylcreem (participating sponsor in ABC-TV's *Roaring 20's*, *Sunset Strip*, *Untouchables*, *Hong Kong* and *Hawaiian Eye* plus spot TV in major markets). Its suit had charged Chesebrough-Pond's Valcream with trademark infringement. Reversing an earlier decision of a district court, the Appeals Court's verdict indicated that Valcream deliberately imitated not only Brylcreem's name, but size, shape and packaging. Chesebrough has suspended manufacture of Valcream and has had to revise its TV schedules to eliminate the product.

## Networks

**Network Spending on Rise:** Total network-TV spending for the 2nd quarter of 1960 exceeded \$164 million as compared with \$152 million for the same period last year. Jan.-June 1960 total is \$336 million, as compared with \$308 million for 1959. Advertisers in apparel, footwear and accessories, beer & wine, gasoline, and household furnishings classifications showed the biggest gains in network spending during the first 6 months of this year. Apparel jumped from \$2.8 million to \$4.2 million; beer & wine from \$2.7 million to \$4 million; gasoline from \$2.1 million to \$7.6 million, and household furnishings from \$1.7 million to \$3.3 million, reported Tvb.

The top network advertiser in the 2nd quarter was Procter & Gamble, with a \$12.5-million investment in TV time. In not-even-close 2nd place was American Home Products with an \$8.4-million bill. There were no TV-electronics firms among the top 25 spenders. The 2nd quarter's leading net-advertised brand was Anacin tablets, with \$2.4 million in billings.

The leading network-time buyer at the half, by product category, was food & food products, which slipped slightly to \$57.4 million from \$57.6 million a year earlier. The TV-radio-phono-instruments category purchased \$2.1 million of network time, down from \$2.9 million in Jan.-June 1959. Here's how the other product categories fared in first-half 1960 vs. first-half 1959 comparisons:

**Network TV Ad Expenditures**  
By Product Classification

	Jan.-June 1960	Jan.-June 1959
Agriculture & Farming	\$1,209,095	\$1,048,140
Apparel, Footwear & Accessories	4,223,212	2,824,957
Automotive, Automotive Accessories & Equipment	26,790,359	23,073,047
Beer, Wine	4,030,002	2,760,541
Building Materials, Equipment, & Fixtures	1,396,132	1,575,991
Confectionery & Soft Drinks	8,267,804	6,203,622
Consumer Services	2,032,807	1,689,939
Drugs & Remedies	41,587,332	35,465,054
Entertainment & Amusement	143,517	254,901
Food & Food Products	57,392,516	57,555,312
Freight, Industrial & Agricultural Development	247,530	235,587
Gasoline, Lubricants & Other Fuels	7,685,827	2,187,148
Horticulture	371,250	240,016
Household Equipment & Supplies	14,049,990	14,960,832
Household Furnishings	3,329,265	1,791,151
Industrial Materials	10,595,179	10,423,733
Insurance	5,584,611	5,133,387
Jewelry, Optical Goods & Cameras	5,992,767	6,782,609
Office Equipment, Stationery & Writing Supplies	1,735,110	1,961,169
Publishing & Media	43,904	—
Radio, TV Sets, Phonographs, Musical Instruments, Accessories	2,118,308	2,901,374
Retail or Direct by Mail	36,792	—
Smoking Materials	39,401,889	37,927,340
Soaps, Cleansers & Polishes	35,548,883	33,798,047
Sporting Goods & Toys	1,311,932	1,258,214
Toiletries & Toilet Goods	56,099,021	51,995,107
Travel Hotels & Resorts	765,173	716,062
Miscellaneous	4,245,145	3,888,934
<b>TOTAL</b>	<b>\$336,235,352</b>	<b>\$308,651,214</b>

**Nielsen Holdouts Sign:** All 3 networks have returned to the Nielsen rating fold, as predicted (Vol. 16:33 p9), despite their earlier intention to back an American Research Bureau service to rival Nielsen in national audience measurement. This is the current network lineup at Nielsen, worth just under \$1 million annually in research billings:

**ABC-TV:** Network has signed for full Nielsen service, including new 51-market competitive area report.

**CBS-TV:** A contract for full services has been drawn with Nielsen, and is awaiting final signatures.

**NBC-TV:** Full services contract was signed last week.

Although A. C. Nielsen's N.Y. office refused to discuss the terms of the contracts, we hear reliably that: (1) They were signed pretty much on Nielsen's terms, although some cost increases were adjusted in negotiation. (2) NBC and CBS are paying more for Nielsen services than is ABC. (3) The networks are pleased at Nielsen's new plans to speed up the reporting process and to reflect alternate-week & one-shot program audiences.

ARB is still in the network research picture, however. All 3 networks, particularly NBC, haven't really dropped the idea of an ARB-produced rapid national rating service and some network-ARB meetings are still going on. Also, ARB is a primary source of overnight (Arbitron) ratings, audience composition of network programs, other data.

## NETWORK SALES ACTIVITY

### NBC-TV

Laramie, Tue. 7:30-8:30 p.m., participations eff. Sept. 20. *R. J. Reynolds Tobacco* (William Esty)  
 Story of a Family, Mon. Nov. 14, 7:30-8:30 p.m., one-time special, full sponsorship.  
*Ocean Spray Cranberries* (BBDO)  
 Chet Huntley Reporting, Sun. 5:30-6 p.m., co-sponsorship eff. Sept.  
*American Photocopy Equipment* (Irving J. Rosenbloom & Associates)

## Technology

Medical application of electronic missile checkout techniques to report on the functions of the human body was forecast by RCA vp-technical dir. Dr. Charles B. Jolliffe recently. Addressing the W.Va. State Medical Assn., he said: "In these checkout systems, electronic instruments detect & report instantly & simultaneously upon all key functions in the missile—before flight to determine malfunctions; in flight to record performance & environment. I am not going beyond the state of the electronic art when I say that practically any part of the human body can be instrumented and its functioning automatically recorded & displayed either continuously or upon demand. Such principles will be used to keep a close check on the physical conditions of our first men in space. They are equally available for routine use in a hospital."

"Space-Satellite Broadcasting: Threat or Promise?" Is title of an article by U. of Ill. communications-research professor Dallas W. Smythe (ex-FCC staff member) contained in the summer edition of the *Journal of Broadcasting*. Another article: "Legal Restrictions on Use of Program Materials," by Mich. State U. professor Walter B. Emery, also ex-FCC. The *Journal* is published quarterly by the Assn. for Professional Bctg. Education, may be obtained by writing the Editor at U.S.C., Los Angeles 7.

## Film & Tape

**Networks Step Up Production Activity:** CBS-TV, as the new season approaches, leads the other networks in film production. It is making 8 series compared with the 7 which NBC-TV is turning out. Warner Bros. is making 7 more for ABC-TV, and that network, with the recent announcement (Vol. 16:30 p9) of its intention to enter film production for itself, is expected to show a sharp increase next year.

CBS-TV series are *Rawhide*, *Gunsmoke*, *Have Gun—Will Travel*, *Twilight Zone*, *Pete & Gladys*, *Oh Those Bells*, *Perry Mason* and *Angel*. (The last is from CBS Films.)

NBC-TV-produced series are *Bonanza* and *The Outlaws*, plus *R.C.M.P.*, *The Lawless Years*, *Henry & His Claymates*, *The Jim Backus Show* and *The Blue Angels*—all from its subsidiary, Cal. National Productions.

ABC-TV's Warner-made series are *77 Sunset Strip*, *Lawman*, *Maverick*, *Hawaiian Eye*, *Surfside Six*, *The Roaring Twenties* and *Cheyenne* (the latter including segments of *Sugarfoot* and *Bronco*).

Independent producers in Hollywood don't view all this network production activity favorably. They complain that any network-made pilot enjoys a considerable selling edge over a property from an independent operation. On the other hand, the networks don't see why they shouldn't get into actual production and enjoy the financial benefits of outright ownership.

Decision on American Federation of Musicians petition in Federal District Court, N.Y. (Vol. 16:34 p10) was reserved last week by Judge William B. Herlands. AFM hopes to bar the sale of 122 post-1948 Warner Bros. movies to Creative Telefilm & Arts (now 7 Arts Corp.) for syndicated distribution. AFM had asked for an immediate decision last week because the WB-7 Arts deal was scheduled to become effective Sept. 1. Once the films are transferred to the distributor, AFM would have to sue WB for money damages. Meanwhile AFM announced, after nearly 3 years of negotiations with NBC, a settlement amounting to \$50,000 in TV residuals covering taped reruns of *The Perry Como Show* in England. The dividend affects 20 network staff musicians and 8 extras who performed on the *Como* telecasts.

Although writers' strike against TV film producers ended over 2 months ago, composition of the industry fact-finding committee called for in the new contract remains elusive (Vol. 16:35 p8). The purpose of this committee is to establish a royalty plan for WGA members. Involved in internal dissension over whom its representative shall be, WGA hasn't yet named a member and the TV-radio board of WGA West may face a re-call election. As for the engineering firm which will serve on the committee, producers & writers have failed thus far to find a mutually acceptable company.

IATSE will seek broader health & welfare and pension plan coverage when it begins negotiations in October for a new contract with major movie studios. The union's 22 Hollywood locals, which began drafting their demands last week, want to increase pension benefits from the present \$75 a month to \$100. The union will also seek a so-called "past service" payment for post-1948 movies sold to TV, which would go into its pension fund. The majors gave the talent guilds such payments in settling the ticklish problem of post-1948 payments. IATSE will also seek to negotiate for payment of residuals on post-1948 movies sold to TV.

## NEW YORK ROUNDUP

WNTA-TV N.Y. will give first U.S. TV airing to the recently released 20th Century-Fox post-1948 package (Vol. 16:34 p3). The deal made between parent company NTA, distributor for Fox, and the N.Y. outlet includes 30 Oscar winners ("All About Eve," "A Letter to Three Wives," "Viva Zapata," "Pinky" etc.). The features will start Sept. 19. Previously, both WCBS-TV and WOR-TV N.Y. had been rumored to be negotiating for the 81-title package of 27 post-1948s and 54 pre-1948s.

WABC-TV will use the wild blue yonder to promote *The Blue Angels*, a Cal. National syndication production, due to be premiered in late Sept. Through an agreement with Skywriting Corp. of America, a campaign was to be launched over the Labor Day weekend with a fleet of 5 sky-writing planes cruising over the N.Y. metropolitan area (weather permitting).

Robert Herridge, producer of the syndicated 30-min. taped *Robert Herridge Theater* for CBS Films, has signed a 3-year network contract with CBS-TV to develop & produce musical & dramatic specials. Among Herridge's past credits: *Studio One, Camera Three, The Seven Lively Arts*.

Robert Saudek Associates will launch 33 TV specials for the 1960-61 season, including *The Dow Hour of Great Mysteries*, *Leonard Bernstein & the N.Y. Philharmonic*, *Omnibus*, and *7 Wonders of the World*.

## HOLLYWOOD ROUNDUP

Arthur Gardner-Jules Levy-Arnold Laven production team (*The Rifleman*, *Robert Taylor's Detectives*) will produce a pilot titled "Simon Battle," this week as a segment of its *Rifleman* series. The Western, starring Phil Carey & Gigi Perreau, concerns an ex-gunfighter turned doctor. The same team has another Western pilot, the *Rambling Man*, starring Gene Nelson, which may be submitted to agencies & networks if midseason casualties develop.

Columbia Pictures has sold 34½ acres of undeveloped property adjoining its Burbank, Cal. ranch for \$1,725,000 to the Barclay-Hollander Development Co. Columbia originally bought the land for \$2,500 an acre, received \$50,000 an acre for it. "The back 40 acres," as they were known, will be used for residential & commercial building.

Goodson-Todman Productions will produce its pilot of *Las Vegas Beat* in the Nevada city Sept. 14. Andrew Fenday created the project for GT . . . Red-Bill Productions has finished the pilot of *The Loggers*, an action-comedy series. William Reynolds and Stanley Dougherty produced.

**People:** William Kayden named producer of NBC-TV's daytime show, *Here's Hollywood* . . . Norman Lessing named exec. producer of Henry Jaffe's *Magical Monarch of Mo* series to be seen on NBC-TV . . . Warner Bros. TV exec. producer William T. Orr back from Europe where he scouted locations & material for the new 60-min. *Solitaire*. . . . Helen Ainsworth, Guy Madison Productions vp, has resigned from the company and ended her personal management contract with the actor.

## Television Digest

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**Personals:** Frederick S. Gilbert, *Time* magazine gen. mgr., named to new post of gen. mgr. for Time Inc. bestg. div. . . Peter V. O'Reilly promoted to local sales mgr., WTOP-TV Washington . . . Leonard H. Marks, Washington TV-radio attorney who handles legal matters for Mrs. Lyndon B. Johnson's stations, joins Democratic National Committee to work on Sen. Johnson's campaign, serving with James H. Rowe, former White House assistant, and ex-Sen. Earle C. Clements (D-Ky.).

John Begue, ex-WICS Springfield, Ill., named station mgr., WICD-TV Danville, Ill. (formerly WDAN-TV) . . . James B. Patterson named prog. dir. of KABC-TV Los Angeles . . . Larry Lowenstein, ex-Rogers & Cowan, Benton & Bowles and CBS-TV press information, named NTA PR dir. . . Ub Iwerks, technical research dir., Walt Disney Studio, received SMPTE's Herbert T. Kalmus Gold Medal Award for outstanding contributions to color films.

NBC newsman Richard Jennings played a real-life hero role last week and made the front pages of the N.Y. newspapers by helping to capture one of the men who held up a currency exchange in the RCA Bldg. Jennings, asst. managing editor of NBC Radio's *Monitor*, heard shots and followed a man running along 6th Ave. He tracked his quarry on foot & by cab, ending up at the Lincoln Tunnel with a policeman who took the holdup man into custody.

ARB has leased additional office space for its executive & sales offices in the General Dynamics Bldg. at 1 Rockefeller Plaza, N.Y. It retains its offices at 201 & 32 E. 57 St.

## Obituary

Henry S. Griffing, 53, his wife Jo and both of their children—Philip, 24, and Linda, 20—were found last week burned to death in the wreckage of the plane Griffing had piloted. They had been missing since Aug. 16 (Vol. 16:35 p10). The plane was located in the wooded top of one of the highest mountains in the Allegheny range, between Central City & Ogletown, Pa., about 69 miles from Pittsburgh. Griffing had gone to N.Y. to meet his family as it returned from a 6-week tour of Africa and was flying home to Oklahoma City. He was the head of Vumore Co., which operates 14 CATV systems, and Video Independent Theaters (200), owned 12.5% of KWTV Oklahoma City.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**FIRST JAPANESE TV SETS ARRIVING:** Japanese-made TV sets are beginning to appear on a very few store counters—and it's still too early to judge public reaction. Bigger influx will come between now & Christmas, with the first mass shipment due to arrive this month.

Those cute little 8-in. transistor portables aren't due until just before Christmas—if then. As with any product so new, there are bugs. Delmonico International, importer of the Japan Victor line, has examined "a fair amount of transistor TV sets," exec. vp Herbert Kabat told us. "They still leave something to be desired. We're going to go slow until we're satisfied with their performance." Sony doesn't plan to offer its transistor TVs here until Yule season.

Only Japanese sets which are being shipped to dealers in sale quantities—so far as we can determine—are the tiny 8-in. AC-powered (not transistorized) sets made for Star Lite Merchandise Co. by Riken Industries. Star Lite co-owner Al Dayon said they have been shipped to such stores as Gimbel's and May Co. for retailing at \$99. He added that first shipment of 500 has already been dispatched from N.Y.

"We're very happy with them," said Dayon of the 8-in. sets. "They've been selling well, and with only about 2% returns." Second shipment of 500 sets is en route from Japan, he said, but "deliveries are very poor."

Biggest direct test of Japanese-vs.-U.S. TVs will come when Delmonico starts merchandising its neat 19-in. portable, listing at \$179.95 (Vol. 16:20 p17). Kabat said the first dozen production units arrived by air last week and the performance was "far above our anticipation." First large-scale shipment is in transit now by boat and should be here this month. He added that his company hopes to receive close to 20,000 of them by the first of the year. The 19-in. tubes are added to the sets in this country after receipt.

Delmonico hopes to have its 19-in. TV-radio-stereo combination late next month, and a 23-in. line early next year. Color? Still some time in future, most importers agree. Color telecasting in Japan is too new and real mass production hasn't yet begun there (Vol. 16:35 p. 14).

**IMPLICATIONS OF ZENITH PATENT VICTORY:** Zenith won a virtually clean sweep last week in first round of battle to assert patent ownership of 2 widely-used features of modern TV receivers. Federal Court in Oklahoma City ruled that Admiral had infringed Zenith patents on ultrasonic wireless remote control and sync signal separator interference rejector circuit (Fringelock), sweeping aside an Admiral countersuit charging Zenith had infringed an Admiral phono-spindle patent.

Battle is far from won. Admiral is expected to appeal, although its officials declined to comment at press time, not having seen decision. A similar suit, also charging infringement of remote-control and Fringelock patents, is pending against Motorola. Admiral Oklahoma City decision, of course, doesn't set precedent for the Motorola case, which is due for trial in Chicago Federal Court.

Both decisions were painted with broad brush by Judge Ross Rizley. Although it was too early to obtain industry interpretations, examination of remote-control decision indicates that court was convinced Zenith owns basic patents on type of mechanically-actuated ultrasonic TV remote-control system which is in widest use today.

Admiral had challenged Zenith patent claims in ultrasonic remote field, pointing to "prior art" inventions such as ultrasonic garage-door openers. Court, however, completely upheld validity of Zenith patents, also setting aside Admiral charge of "bad faith" by Zenith in prosecution of its patent application. Decision further stated that Admiral deliberately made a "straight copy" of Zenith Space Command remote tuning.

How much is covered by the Zenith patents—in Court's opinion—is demonstrated in this excerpt from Judge Rizley's opinion: "In considering the broad concept of remote control by ultrasonic waves [Zenith vp & associate research dir.] Dr. [Robert] Adler conceived the idea of a moveable channel system in which super-audible sound impulses of different frequencies would be used to perform different control functions such as channel selection, off-&on switching, and so forth. This led him to the further concept of a wholly mechani-

cal transmitter containing 2 or more resonators (sound generators) with an arrangement by which the user could operate his selected resonator to produce a particular function in a television receiver . . . He finally came up with the hand-held, finger-operated transmitter which employs the novel concepts which are described in minute detail on the Space Command transmitter patents . . ."

In the case of the Fringelock circuit, Judge Rizley noted that it had been "promptly adopted by virtually the whole TV industry" soon after its invention in 1951. Zenith's patent application, filed in 1951, wasn't granted until 1957. Judge Rizley held the patent valid, arguing that just because Admiral had a "free ride" for 5 years, it shouldn't be allowed to "continue the free ride" after patent was in effect. He mildly rebuked Zenith for "evasive" conduct in not warning Admiral of possible infringement claims.

Court called phono-spindle countersuit "an afterthought on Admiral's part" in dismissing it. It involved an Admiral patent "informally" licensed to V-M, which supplies changers to Zenith. Although V-M has used spindle since 1951, Judge Rizley stated that Admiral hadn't been diligent in enforcing its claim, hadn't sued anybody but Zenith in all that time.

Zenith had asked an injunction against further use of the devices, accounting of damages and costs —plus treble damages for "wilfull" infringement. However, the Judge said the treble-damage plea appeared to be "borderline case," to be determined after an accounting of what is a reasonable royalty.

**TV-RADIO EXPORTS & IMPORTS:** Latin-America continued to be the only significant customer for American-made TV sets in May, the latest month for which Census Dept. figures are available. In May, Mexico was the biggest customer, receiving 3,299 complete TV sets (valued at \$138,882) and 375 TV chassis (at \$20,370). U.S. exports of TV sets for the month totaled 10,526 units at \$1,126,946 and 577 chassis at \$33,347.

Other big users of U.S. TV sets in May were Peru, 1,287 sets (\$168,326); Venezuela, 1,230 (\$176,088); Costa Rica, 1,197 (\$167,742); Panama, 692 (\$89,221); Canada, 619 (\$77,779); Iran, 568 (\$89,434); Dominican Republic, 266 (\$31,132); Uruguay, 16 sets (\$1,843) & 200 chassis (\$12,717); Saudi Arabia, 166 (\$13,664); Italy, 131 (\$19,651); Brazil, 109 (\$17,574).

No other country received more than 100 U.S. sets. American TVs were exported to these other countries (less than 100 sets, but more than \$1,000): Guatemala, El Salvador, Honduras, Nicaragua, Canal Zone, Bermuda, Bahamas, Haiti, Netherlands Antilles, Colombia, Chile, Argentina, France, Switzerland, Spain, Portugal, Syria, Lebanon, Arabia, Bahrain, Thailand, Philippines, Japan, Libya, Egypt.

Venezuela was the biggest customer for home-type radios, buying 1,033 at \$49,409. Total U.S. exports of home radios for the month was 8,139 units at \$319,799. Auto radios exported totaled 4,543 at \$98,670, of which Mexico took more than half—2,608 at \$42,354. Some 794 radio-phono combinations, valued at \$37,960 were exported in May, as were 1,778 phonos, at \$114,700.

Census Dept.'s import tabulation shows no TV sets coming into the country in May, gives these breakdowns:

Transistor radios: 501,803 units at \$4,950,967, Japan supplying 495,670 (\$4,814,515), West Germany 5,460 (\$124,857). Non-transistor portables: 23,154 (\$141,114), almost all from Japan. Other radios: 62,639 (\$422,018), mainly from Japan, with a smattering from West Germany, Hong Kong and the Netherlands. Radio-phonos: 3,903 (\$346,151), with 2,623 (\$274,297) from West Germany, 1,185 (\$61,839) from Japan. Phonos: 2,010 (\$52,662), half from Japan, the remainder from Canada and other countries.

\* \* \*

British electronics exports to U.S. in first-quarter 1960 were 8% lower than in the same 1959 period, the electronics div. of Commerce Dept.'s Business & Defense Services Administration reported last week. Audio equipment ship-

ments, however, were generally substantially higher, most of the drop being in tubes, parts & radios. U.K. electronics shipments to the U.S. for the period were at "an annual rate of \$20 million compared with \$22 million for 1959," the agency stated. First-quarter shipments of phonos totaled \$100,000, up 157% from the same 1959 period; radio-phono combinations totaled \$83,000, up 12.5%; speakers & microphones \$147,000, up 6.5%. Phono parts & accessories totaled \$203,000, down 60%; tubes \$391,000, down 38%; radios \$51,000, down 19%. Communications, navigation & radar equipment shipments rose 45% to \$638,000. The "other electronic products" category was up 127% to \$465,000.

\* \* \*

Federal aid for companies, workers & communities suffering from import competition was proposed last week by Sen. Javits (R-N.Y.) in a bill introduced "for the record," to be re-introduced when the new Congress convenes in January. Proposed as an alternative to quotas & higher tariffs, the measure provides for tax relief for companies, increased unemployment benefits, training programs and allowances of costs of moving to new towns for workers, when companies or workers are determined to have been injured by competition from abroad. The measure also would restrict tariff & quota relief.

\* \* \*

Visual Electronics Corp., N.Y., and its export sales mgr. Bert Kupperman were indicted Aug. 31 by a U.S. District Court Grand Jury in N.Y. on charges that they violated the U.S. Export Control Act. Based on evidence developed by Bureau of Foreign Commerce Investigators, the 5-count indictment alleged that in July 1958 the company & Kupperman: (1) Sent \$3,700 shipments of electron tubes & transistors to Cuba & Switzerland without obtaining validated export licenses. (2) Misrepresented the ultimate destination of shipments to Cuba. (3) Made false representations on shippers' export declarations. Visual Electronics is a sales & engineering firm specializing in coordinated systems of technical communication equipment.

■ ■ ■

"The Apartment," new hit movie starring Jack Lemmon & Shirley MacLaine, takes the usual cinema swipe at the institution of television but, simultaneously, without really meaning to do so, puts on a fine sales demonstration of remote control. Should sell a lot of sets.

Excise-clarification bill (HR-12536), adjusting tax rates charged to manufacturers whose price structure is based partly on local advertising charges (Vol. 16:25 p18), has been passed by Congress. The measure reverses a 1958 Treasury Dept. ruling that when manufacturers & dealers share co-operative advertising costs, taxes must be paid on the full selling price. The new law permits manufacturers to deduct portions of the sales price represented by contributions to the co-op ad fund—not exceeding 5% of the price. In addition to the 5% limitation, the bill sets up these conditions: (1) Local advertising charges must be separately billed. (2) It must be intended that the advertising charges be refunded to the purchaser for reimbursement for local advertising. (3) Amounts must be refunded by May 1 of the following year to become taxable. (4) Applicable advertising is limited to TV, radio and newspapers. (5) Advertising must state the name of the article and the retail sales location at which it may be purchased. (6) Advertising must be initiated by the purchaser of the article, not by the manufacturer.

Trademark licensing bills (S-3890 & HR-13170) introduced by Sen. Wiley (R-Wis.) & Rep. Judd (R-Minn.) would permit small companies to make exclusive territorial franchise agreements for sale of their brand products without risking Justice Dept. anti-trust actions. Intended "to encourage national advertising by small business concerns," the bills were referred to Senate & House Judiciary Committees, where they suffered session-end deaths.

Sales of 500,000 color TVs in 1961, followed by a "jump aboard the bandwagon" by numerous other set makers, were forecast last week by RCA Sales Corp. Chmn.-Pres. W. Walter Watts in an interview with *Home Furnishings Daily*. Commenting on color's profitability, Watts stated: "Some manufacturers are spending money on design & research, but are waiting for us to create the public demand. We are making very good money in color, both on tubes & sets and are willing to be helpful by pointing out the opportunities available." He said RCA's investment in color TV totals \$130 million, and "we are so dedicated to this that we will continue to invest."

RCA's ad plans for color-TV sets will include newspaper advertising for the first time in 4 years, the company told its recent distributors meeting in Chicago (Vol. 16:35 p13). The campaign will begin Sept. 15 with 1,100-line ads in about 160 newspapers paid for by RCA but listing local dealers. A magazine ad campaign will kick off in Sept. 19 issues. Color will also be plugged on RCA-sponsored *Bonanza* and *Shirley Temple Show* (NBC-TV).

TV-radio industry, which has tried frankly to emulate the auto industry in annual model changeovers, planned obsolescence, etc., got a shocker last week from Chrysler Corp. vp M. C. Patterson, gen. mgr. of its Dodge div. He told 1,100 Eastern Dodge dealers that the auto industry is entering an era "when cars will be marketed like radios and refrigerators in a variety of sizes for a variety of uses." He didn't mention long-line inventory problems.

New automatic phono device—to add "record-changer convenience" to "turntable quality"—will be introduced by Rek-O-Kut at the N.Y. High-Fidelity Show Sept. 7-11 in the Trade Show Building. Designed for addition to tone-arms on hi-fi turntables, the device automatically starts the turntable, lowers the arm onto the record, lifts it on completion of the record and returns it to the arm-rest. List price is \$29.95.

**Trade Personals:** David R. Hull, ex-Raytheon vp who recently completed 2 terms as EIA pres., elected Hoffman exec. vp in charge of the military products div. and coordination of activities of the company's science center with other corporate divisions . . . L. Harriss Robinson, ex-RCA, named mktg. dir., Westrex Corp.

Dr. Clinton R. Hanna retires after 38 years with Westinghouse, most recently as research labs dir. . . . Edward E. Fellman, ex-Sylvania, appointed works mgr., Semicon Inc. (silicon rectifiers) . . . Orland O. Schaus, ex-Cyanamid of Canada, named research & engineering mgr., Audio Devices . . . Allen J. Lovenstein, ex-Crosley div. of Avco Corp., named mkt. planning & analysis mgr. Sylvania Electronic Systems Waltham Labs.

J. Bryan Straley, former exec. vp, elected Reeves Instrument pres. & board member . . . William H. Herrman, ex-Hoffman, joins Stromberg-Carlson as electronics div. ad & sales promotion mgr. . . . Robert R. Lipsky has been named Pentron Electronics personnel & administration vp.

**Pennsylvania Railroad** strike had Philco concerned at press time that it would have to close some plants if the Sept. 1 walkout continued more than a week. Pres. James M. Skinner Jr. pointed out that "the major portion of components for our electronic plants in the Philadelphia area are brought in by railroad. Because of the nature of our operations we normally maintain a close inventory on parts. As a result we have limited stocks of components to keep our plants running despite emergency steps we have taken recently." Another major TV-electronics firm on PRR's doorstep, RCA, reports it has no immediate supply problems, notes it is heavily dependent on trucks.

Admiral enters hospital communications field through its commercial electronics div., headed by vp Frank Rogers. Among the equipment to be offered to hospitals on a sale or lease basis—and displayed for the first time at the American Hospital Assn. convention in San Francisco Aug. 29-Sept. 1—are b&w and color TV for patients, radios for patients, closed-circuit TV for "visiting" patients from lobbies, closed-circuit TV monitoring, wireless paging, doctor-calling equipment, etc.

Distributor franchising program for consumer & industrial magnetic tapes has been introduced by Ampex for its Ampex and Irish brand tapes. Industrial distributors will be franchised to handle instrumentation, computer, professional audio & video tapes. Home tape products will be handled by franchised consumer distributors.

### **Obituary**

Jack M. Winer, 53, president of the Capehart Corp., died Aug. 30 at his desk at the Capehart plant in Richmond Hill, N.Y. He founded Dynamic Service Corp., a N.Y. retail appliance chain in 1934, guiding its expansion into a group of 25 stores. The company's name was changed in 1945 to Dynamic Electronics-New York Inc. Dynamic expanded into electronics manufacturing, left the retail business and added hi-fi components & consoles. Last year the firm acquired the Capehart trade name and branched into TV and higher-priced furniture consoles. Winer is survived by his widow, 2 sons, 2 daughters, 2 brothers and 2 grandchildren.

David H. Ormont, 50, pres. of Hudson Radio & Television Corp., was killed Aug. 27 in an auto accident while vacationing in Las Vegas, Nev. He was also pres. of 2 Newark, N.J. manufacturing concerns: Keystone Electronics (crystals) and Electronic Enterprises (tubes). He is survived by his wife & daughter.

## Finance

**TV-Electronics Fund Gains:** Record net assets of \$357,837,601 were reported by Television-Electronics Fund at the close of fiscal 1960's 3rd quarter July 31. The Chicago-based mutual fund also reported that it had reduced its holdings of common stocks & convertible securities to 89.6% of total assets from 91.3% 3 months earlier and 95.1% a year ago. Pres. Chester D. Tripp said the Fund "has been engaged for some time in adjusting the portfolio . . . to anticipated changes in the general economic picture which have been occurring during the past 2 years." He noted that the "cash" position has been increased to more than \$8.4 million, that "profits have been taken and new additions have been made which appeared prudent under prevailing market circumstances."

Portfolio changes in common stock during the 3rd fiscal quarter: Added were 100,000 shares of Universal Controls, market value \$1,537,500; 6,800 General Cable, \$257,550. Holdings were increased in AB-PT, AT&T, du Pont, Foxboro, GE, International Nickel of Canada, Pullman, Texaco, Union Carbide, United Utilities. Holdings were reduced in Aerojet-General, Friden, ITT, Ia.-Ill. Gas & Electric, Minneapolis-Honeywell, Minnesota Mining & Mfg., Paramount Pictures, Southern Cal. Edison, Zenith. Holdings were eliminated in American Electronics, Vitro, Walt Disney Productions, Warner Bros.

For the 3rd fiscal quarter ended July 31 (1959 shares & assets-per-share are adjusted for Jan.-1960 2-for-1 split):

	1960	1959
Net assets .....	\$357,837,601	\$315,302,428
Net assets per share .....	7.97	8.29
Capital shares .....	44,818,220	38,023,394

Loral Electronics proposes a 3-for-1 stock split and issuance of up to \$5 million in convertible debentures, subject to stockholder approval at the Oct. 27 annual meeting. Loral currently has 580,148 outstanding common shares, of one million authorized. "The purpose of the split," reports Pres. Leon Alpert, "is to relieve the tight situation in the available stock and get away from serious ups & downs in price which are not on a normal basis. If I had my way there would be no stock split, because I like a high-priced stock." He owns 119,375 shares, with options to buy 9,450. Vp William Lorenze owns 112,350, with options for 6,300.

Trav-ler Radio Corp. plans a public offering of \$2.2 million of 6½% sinking-fund debentures due 1975, with 15-year common-stock purchase warrants, through underwriters headed by Lee Higginson Corp. and Straus, Blosser & McDowell. The company's SEC registration application (File 2-16886) said 2 warrants to purchase 50 stock shares will be issued with each \$1,000 debenture. Part of the proceeds will be used to retire 6% debentures due 1967, part for working capital. Of 863,061 Trav-ler common shares now outstanding, Pres. Joe Friedman owns 265,494, dir. Jeanette Friedman, 94,947.

Electronics Capital Corp., the small business investment company headed by Charles E. Salik, has purchased \$300,000 of convertible debentures and long-term notes in Communications Control Corp., the Van Nuys, Cal. developer of sophisticated high-speed precision-data systems, analog-converter systems and data-logging components. Communications Control Corp. was founded in 1958 by its president, Dr. Martin L. Klein. The purchase by Electronics Capital Corp. comprises \$200,000 of 8% debentures, convertible into 54% of Communication Control's common stock, and \$100,000 of long-term notes.

**Mergers & Acquisitions:** Major merger news last week was the Aug. 31 amalgamation of General Instrument Corp. and General Transistor Corp., following approval by stockholders (Vol. 16:30 p19). Surviving General Instrument, reports Chmn. Martin H. Benedek, will now rank "among the leading full-line producers of semiconductors in the U.S." and will have assets of \$37 million, with 15 plants & research centers in this country & Canada. It is projecting more than \$80-million sales for the current (1960-61) fiscal year. Each of General Transistor's 893,215 common shares outstanding on July 27 will be exchanged for seven-tenths of a share of General Instrument common. Herman Fialkov, General Transistor pres., becomes a corporate vp & board member of General Instrument. Other merger news last week:

Loral Electronics and FXR Inc. have broken off negotiations for Loral's acquisition of FXR, following failure of talks to develop "mutually satisfactory terms."

Radiation Service Co., wholly-owned subsidiary of Melbourne, Fla.-based Radiation Inc., has acquired for an undisclosed price American Bosch Arma's Philadelphia-based electronics service div., which leases & maintains communications equipment.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Aerovox .....	Q	\$0.05	Sep. 15	Sep. 1
Bendix .....	Q	.60	Sep. 30	Sep. 10
British Industries .....	Q	.12½	Sep. 30	Sep. 16
Capitol Records .....	Q	.50	Sep. 30	Sep. 19
Radio Condenser .....	—	.07½	Sep. 20	Sep. 1
Wells-Gardner .....	Q	.30	Sep. 15	Sep. 8

### OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Wednesday, Aug. 31, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates .....	27½	30%	Magnetics Inc. .....	10½	11%
Aerovox .....	9½	10½	Maxxon (W.L.) .....	10½	11½
Allied Radio .....	22½	24½	Meredith Pub. .....	40½	43½
Astron Corp. .....	2½	2½	Metroplitan Bstzr. .....	18½	19½
Baird Atomic .....	35½	38½	Milgo Electronics .....	22	24½
British Industries .....	13½	14½	MPO Videotonics .....	6¾	7½
CGS Labs .....	9½	11½	Narda Microwave .....	4½	5½
Control Data Corp. .....	42½	45½	Narda Ultrasonic .....	1½	17½
Cook Elec. .....	15½	16½	National Co. .....	31½	33½
Craig Systems .....	16½	18½	Nuclear of Chicago .....	31	31½
Dictaphone .....	43½	46½	Official Films .....	2-1/16	2½
Digitronics .....	22½	24½	Pacific Automation .....	7½	8½
Eastern Ind. .....	13½	14½	Pacific Mercury .....	7½	8½
Etel-McCullough .....	25½	27	Perkin-Elmer .....	42½	45½
Elco Corp. .....	17½	19½	Philips Lamp .....	175½	181
Electro Instruments .....	32½	35½	Pyramid Electric .....	3	3-7/18
Electro Voice .....	13½	14½	Radiation Inc. .....	25½	27½
Electronic Associates .....	31½	34½	Howard W. Sams .....	42½	45%
Erie Resistor .....	8½	9½	Sanders Associates .....	58½	62½
Executive .....	32½	35½	Silicon Transistor .....	6½	7½
Farrington Mfg. .....	45½	48½	Soroban Engineering .....	25½	27½
Fischer & Porter .....	7½	8½	Soundscripter .....	13½	15½
FXR .....	48	52½	Speer Carbon .....	22½	24½
General Devices .....	16½	18½	Sprague Electric .....	54½	58
G-L Electronics .....	9½	11	Taft Bstzr. .....	13½	15½
Grancor Products .....	5	5½	Taylor Instrument .....	38½	42
Gross Telecasting .....	18½	20½	Technology Inst. .....	11	12½
Haydu .....	1½	9/16	Tele-Broadcasters .....	—	½
Hewlett-Packard .....	28½	30	Telechrome .....	13½	14½
High Voltage Eng. .....	138	149	Telecomputing .....	8½	9½
Infrared Industries .....	20	22	Telemeter .....	13½	15½
International Rect. .....	23½	25½	Time Inc. .....	64½	68½
Interstate Engineering .....	26%	28½	Tracerlab .....	11½	12½
Itek .....	64	68½	United Artists .....	6½	7½
Jerrold .....	9	9½	United Control .....	24½	26½
Lab for Electronics .....	46	49½	Universal Trans. .....	1½	2½
Lei Inc. .....	6½	7	Vitro .....	13½	14½
LFE Inc. .....	11½	14½	Vocaline .....	3½	3¾
Ling Altec Electr. .....	27½	29½	Wells-Gardner .....	17	18½
Magna Theater .....	2½	3-3/16	WJR Goodwill Station .....	9	—
Magnetic Amp. .....	not available				

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Barnes Engineering	1960—year to June 30	\$3,853,889 <sup>1</sup>	—	\$219,942 <sup>1</sup>	\$0.62	352,520
	1959—year to June 30	2,754,522	—	178,961	.55	352,520
General Transistor	1960—6 mo. to June 30	6,588,400	—	359,800	.41	891,900
	1959—6 mo. to June 30	4,846,063	—	368,100	.43 <sup>2</sup>	875,346 <sup>2</sup>
National Co.	1960—6 mo. to June 30	6,127,371	\$511,132	208,885	.27	765,000 <sup>3</sup>
	1959—6 mo. to June 30	5,340,075	246,535	112,642	.30	350,774
N. V. Philips' Gloeilampenfabrieken	1960—6 mo. to June 30	545,635,000	—	43,315,000	—	—
	1959—6 mo. to June 30	468,520,000	—	33,655,000	—	—
Howard W. Sams	1960—year to June 30	9,729,889	1,107,039	509,487	1.18	425,450
	1959—year to June 30	7,194,786	775,672	371,301	.86 <sup>4</sup>	375,450
TelePrompTer	1960—6 mo. to June 30	2,631,071	—	107,821 <sup>5</sup>	.18	599,794
	1959—6 mo. to June 30	1,910,194	—	132,135 <sup>5</sup>	.37	356,591
20th Century-Fox	1960—26 wks. to June 25	56,370,992	—	2,628,576	1.10	2,383,286
	1959—26 wks. to June 25	55,103,921	—	1,770,870	.76	2,338,536

Notes: <sup>1</sup>Record. <sup>2</sup>Adjusted for July-1959 2-for-1 split. <sup>3</sup>Reflects 2-for-1 split & stock dividend. <sup>4</sup>Adjusted to reflect stock increases. <sup>5</sup>No tax provision required due to availability of operating loss carry-forward.

NT&T will offer holders of its 5½% sinking-fund subordinated debentures an opportunity to trade about half of their debentures for a new issue of 6%, 15-year convertible debentures. Pres. B. Gerald Cantor said the offer will be made as soon as the necessary documents & legalities are completed. NT&T has outstanding about \$13 million of 5½% debentures, due Mar. 1, 1974. Each holder will be able to trade about 50% of his holdings at \$100 face value of debentures for \$80 face value of new securities.

Premier Microwave Corp., Port Chester, N.Y. maker of microwave components, plans public sale of 100,000 common stock shares through Val Alstyne, Noel & Co. on an all-or-none basis, price undisclosed. An SEC registration statement (File 2-16971) said an additional 15,000 shares have been acquired by the underwriter from present stockholders at 10¢ per share. Premier Microwave was organized in 1940 as Premier Tool & Instrument Corp., changed its name in August.

Davega Stores registered a net loss of \$37,837 for the 4 months to June 30, reflecting a strong comeback from the \$329,880 loss reported for Mar.-June 1959. Pres. Joseph Axler also noted that Davega had more than \$100,000 in non-recurring expenses during the 1960 period. He said sales "continue on a very strong upward trend." For July and the first 27 days of August, sales ran approximately 50% ahead of 1959's July-Aug. volume.

Axe Science & Electronics Corp. mutual fund reports strong gains in assets & stockholders for the quarter ended June 30:

	1960	1959
Net assets .....	\$14,215,945	\$12,006,939
Net assets per share ....	11.75	13.54
Capital shares .....	1,209,557	886,753

Reports & comments available: AB-PT, discussion in *Investor's Reader*, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 • Decca and Crowell-Collier, discussions, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Yardney Electric, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • RCA, profile in Aug. 31 *Financial World*. • Collins Radio, study, F. S. Moseley & Co., 120 Broadway, N.Y. 5 • Fidelity Electronics, offering circular, Metropolitan Securities Inc., Lewis Tower Bldg., Philadelphia 2.

## Auxiliary Services

Pay-TV test in Hartford would "adversely affect" the theater-sponsored Joint Committee Against Toll TV and Conn. Committee Against Pay TV, they told FCC in a letter last week. Therefore, they said, they are "parties in interest" with a right to object to the test. They spelled out how pay TV would compete for revenues. The 2 organizations were joined in the letter by 5 individual theater owners of the area—Stanley Warner, Loew's, Conn. Theatres, Outdoor Theater Corp., Manchester Drive-In Theater Corp. JCATT & CCAPT are trying to get FCC to conduct a full-scale hearing on the test application led by RKO-Zenith (Vol. 16:29 p3).

First batch of vhf repeater-station applications has been filed with the FCC, 8 in number—the first being from Saddle Butte TV Assn. The applicant plans to pick up KFYR-TV (Ch. 5) Bismarck, N.D. and repeat it over Ch. 8 to communities of Trial City, Glencross, Timber Lake and Firesteel, S.D. The other applications filed were for Afton, Wyo., Claremont, N.H., Ourway, Colo. and 4 from Newcastle, Wyo. FCC has designated the requests "Broadcast Television Repeater Applications." All of the applications were filed on a temporary form and must be followed up within 6 months by a more complete form.

TelePrompTer is discussing concerts from Carnegie Hall (via theaters and possibly CATV) as a possible closed-circuit, pay-TV offering next season. Officials of the venerable concert hall are auditioning overtures from TPT Pres. Irving Kahn with interest because \$360,000 is needed for the music center's refurbishment. If the deal goes through, TPT may start the series Sept. 26, with the annual opening concert presented as a full-evening pay-TV special.

Institute for Advancement of Medical Communication, whose Council on Medical TV recently added a half-dozen firms to its list of sustaining contributors (Vol. 16:33 p8), has received a general-support grant from the U.S. Steel Foundation. The Institute said the money would be used to finance research & development of new communication methods in the health sciences.

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# WEEKLY Television Digest

SEPTEMBER 12, 1960

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VOL. 16: No. 37

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

## SUMMARY-INDEX OF WEEK'S NEWS

### FCC

**MANEUVERS IN WASHINGTON.** Miami, Boston—FCC & station legal moves involving fates of major facilities (p. 1).

### Auxiliary Services

**FCC & BOOSTER OPERATORS** smoke peace pipe, Commission staff reporting cooperative attitude among operators in Western conferences (p. 2). Dept. (p. 3).

### Foreign

**WORLD TV COUNT** jumps 10 million in year to reach nearly 94 million sets-in-use. Programs supplied by 1,953 transmitters. Results of our latest survey (pp. 3 & 20).

### Programming

**MARCH OF POST-1948s CONTINUES,** despite an attempt by American Federation of Musicians to block the first big Warner Bros. group of new films. Network, syndication deals are hot (p. 6).

### Networks

**JOHN CROSBY ATTACKS NBC**—and NBC hits back hard (p. 7).

**CANADIAN NETWORKS** sought by 2 private groups—station-owned cooperative and Caldwell TV-film interests. CBC unopposed to idea of private network (p. 8).

### Advertising

**AAAA ISSUES PAIR** of booklets to station operators & reps suggesting ideas for advancement of national spot in TV & radio (p. 12).

**MANEUVERS IN WASHINGTON, MIAMI, BOSTON:** Legal pulling-&-hauling on several major channels intensified last week as FCC convened in full force after vacation. Most unusual was application for Ch. 4 Washington by San Francisco Chronicle (KRON-TV), which seeks to wrest channel away from NBC's WRC-TV in a license-renewal hearing. This is latest move of KRON-TV to block NBC's purchase of KTVU San Francisco, to which NBC would shift affiliation from KRON-TV. WRC-TV's license is due for renewal Oct. 1, and Commission apparently is now obligated to accord KRON-TV its comparative hearing, just as it's expected to give Philco a crack at Ch. 3 Philadelphia, occupied by NBC's WRCV-TV (Vol. 16:19 p10).

**Because NBC wants to sell WRC-TV to RKO,** KRON-TV told FCC, "it is in the public interest to afford the Commission the opportunity of choosing between an applicant desiring to operate a TV station in the nationally significant Washington, D.C. area and an applicant which no longer has an interest in that community." Novel aspect of KRON-TV's application is network service it proposes—NBC-TV.

**Tortuous Miami Ch. 10 case took a couple of more steps.** National Airlines' WPST-TV, ordered to vacate channel by Sept. 30, had requested Commission to hold everything until Court of Appeals acted on station's challenge of FCC's decision. But Commission last week instructed staff to draft a decision rejecting that request. In addition, FCC gave L. B. Wilson authority to build a Ch. 10 station at temporary site—at Miami antenna farm, 400 ft. north of WCKT's tower. It's assumed that Wilson's WLBB-TV can't get going by Sept. 30 and that FCC will keep WPST-TV on air until WLBB-TV is ready—unless court gives WPST-TV additional

### Consumer Electronics

**RCA FM STEREO** multiplex standards proposed to FCC outside NSRC framework provide for simultaneous stereo & other multiplex services (pp. 14 & 15).

**FM STEREO RACE** in home stretch, FCC officials confident of system standards this year. Field tests show good stereo from 5 of 6 systems (p. 14).

**RETAIL TV SALES** passed 3-million mark in July, EIA figures show. TV output down sharply, providing inventory adjustment. Canadian sales continue dull (p. 16).

**JERROLD INTO HI-FI** business through proposed merger with Harman-Kardon. Lynch Corp. buys Symphonic for \$2.5 million in stock. Blonder-Tongue acquires Benco (p. 16).

### Film & Tape

**MOVIE MAJORS' STAKE IN TV** continues to grow; they're all in it now—in contrast to the "TV-is-natural-enemy-of-the-movies" days (pp. 2 & 4).

### Stations

**PAYOLA CHARGE FOUGHT** by New Orleans Columbia distributing firm which tells FTC its TV & radio dealings were "generally accepted & entirely proper" (p. 10).

### Other Departments

**CONGRESS** (p. 11). **TECHNOLOGY** (p. 11). **FCC** (p. 12). **PERSONALS** (p. 13). **FINANCIAL** (p. 18).

respite. Wilson Pres. C. H. Topmiller & vp Tom Welstead are supervising construction from offices in Security Trust Bldg., and they've leased temporary studios at 2133 NW 11th Ave.

WHDH-TV Boston lost a round in efforts to retain Ch. 5. Station has asked Commission to reconsider decision taking away its license and to keep status quo, pending decision on that request—but FCC turned down the "status-quo" request last week. In week or 2, it will rule on station's request for a rehearing. Commission's basic July 14 "influence" decision was that WHDH-TV must give up its CP and fight for it again in another 4-way hearing, but this time under handicap (Vol. 16:29 p1).

From Petersburg, Va. came another challenge of an existing station, in form of application for WXEX-TV's Ch. 8, from Southside Virginia Telecasting (Louis H. Peterson), which lost to WXEX-TV in 1955.

**MOVIE MAJORS' BIG TV STAKE:** Hollywood has come a long way since early 1950s when head of one major studio termed TV "the natural enemy of movies." Our checkup among N.Y. hqs of movie majors last week showed that all are now involved in TV in some way, many with heavy investment. TV may be "enemy" to small exhibitor in neighborhood areas, and even to such baroque palaces as now-defunct Roxy Theater in N.Y. But movie-making industry itself now lives with TV—frequently at a profit.

As much as 40% of a movie major's gross today may come from TV, as in cases of Warner Bros. and Columbia Pictures (parent of Screen Gems), latest earnings reveal. This isn't true by any means of all the big film firms. Those which have arrived on scene lately or are not active in production or which are sitting cagily on feature backlogs may be getting only 10% of gross (MGM) on down to only ½% (20th Century-Fox) from TV. If anything, however, percentage is likely to shift in TV's favor.

It's been largely a case of sink-or-swim-in-TV for most movie majors. Diversification in face of TV has been (by old Hollywood standards) somewhat incredible among big film studios. With yesterday's contract star system scattered into small independent production companies, or into obscurity, the majors are involved in anything from financing-distribution of movies (almost all) to plastic religious statuettes (Republic Pictures), electronics (Paramount), and oil leases (MGM and 20th-Fox). But diversification hasn't stopped TV.

Most common activity of majors in TV is release of old movie backlogs to the medium, by methods ranging from self-distribution (MGM, Columbia, Republic, UA) to tieups such as 20th-Fox & NTA, Paramount & MCA, Universal & Screen Gems. With post-1948s moving into circulation (Vol. 16:29 p7 et seq.), feature activity has quickened with many deals in the works. But backlogs-to-TV, as any studio knows, can also be a well-heeled prelude to financial suicide, for once a backlog's gone, it's gone, and where do you find another? (For more on backlogs, see p. 6.)

Long-range TV answer for movie majors lies in other areas—chiefly new production for TV. But there are also station ownership, pay TV, studio rental and production of film commercials (see p. 4).

Glamorous, flamboyant Hollywood is no more, even as Billy Wilder's prophetic 1950 production of "Sunset Boulevard" acidly portrayed. The hard-working stars of today's studio-produced TV shows may not radiate the glamor of the Swansons and the Garbos and the Barrymores, but they're preventing many a studio from becoming a parking lot or a supermarket.

**FCC & BOOSTER OPERATORS SMOKE PEACE PIPE:** FCC staff's goodwill foray into heart of Western booster country (Vol. 16:34 p9) produced excellent dividends, in opinion of engineer McIvor Parker who made tour with attorney Dee Pincock.

Purpose of trip was to acquaint booster operators with new Commission rules that allow them to attain approved status (Vol. 16:31 p2). Parker said 50 to 100 operators attended each of the 11 meetings and appeared willing to comply with rules. He believes they represented some 2,000 boosters. FCC field engineers accompanied the Washington team.

Operators' first question, Parker said, was sparked by Commission's requirement that they get originating stations' rebroadcast permission. Operators were informed that FCC can't force stations to grant permission—but that there's every evidence stations will be cooperative. Another matter bothering operators was requirement that booster be turned off easily & quickly. Parker made several suggestions: (1) Run power lines to accessible spot. (2) Where other services use same power lines, superimpose signal on lines to activate equipment. (3) Where power lines are inaccessible, use citizens radio for remote control.

Most operators will have to add or replace equipment to meet standards, according to Parker. He knows of 3 companies offering equipment, assumes there will be more: Mid-American Relay Systems, Rapid

City, S.D.; Eitel Electronics, Prescott, Ariz.; Benco, a Canadian firm. He reports that Benco has sold units with the proviso that it would convert them to FCC standards at a small fee.

All existing boosters may continue as is until Oct. 31, 1961, but they must register with FCC by Oct. 31, 1960. New booster must comply with new rules from scratch.

Parker said he saw quite a few booster pictures, "most of them pretty poor, although some were fair." He added: "I'd get a headache watching them."

**WORLD TV COUNT JUMPS 10 MILLION IN YEAR:** Nearly 94 million TV sets in all parts of the globe are now supplied with programs by 1,953 transmitters. In 12 months to Aug. 1, the number of TV sets-in-use increased by more than 10.7 million, while 355 new stations began telecasting.

These are outstanding results of our semi-annual survey of world TV sets & stations, made for the forthcoming Fall-Winter Television Factbook slated for publication Sept. 15. We believe the survey—and the resulting Factbook list of foreign TV stations & sets—to be the most accurate of its kind, since all information (with exception of some Iron Curtain data) has been obtained directly from countries involved. Highlights:

There are now 66 countries which have TV stations, vast majority with some kind of commercial, advertising-supported operation. No country even approaches the U.S. total of sets-in-use—estimated as 53.6 million as of Aug. 1. No. 2 country in TV-set circulation is United Kingdom, with 10.9 million (up less than million in year). Canada, once 3rd in sets, has dropped to 6th with 3.84 million (up 500,000)—trailing Japan with 5 million (up 2 million), W. Germany 4.25 million (up 1.5 million), USSR 4 million (up nearly million).

Other countries with more than million sets each: Italy, 1.8 million (up 300,000); France, 1.5 million (up 200,000); Brazil, 1.1 million (up 250,000). Due to break the million-mark this year is Australia, which has 950,000 sets (up 325,000), possibly to be joined within 12 months by Sweden with 810,000 (up 360,000) and the Netherlands with 700,000 (up 100,000).

The 1,383 TV stations listed as on air in foreign countries include virtually every type of installation—from 1-watt boosters to elaborate super-power stations. In our foreign count, we have classified as stations everything that broadcasts TV pictures—even though some would be classed as translators (or less) in this country. For the U.S. tally, however, we have confined ourselves to bona fide stations—therefore the 570 we tallied do not include translators & unlicensed boosters. We have included in a separate category the 31 TV stations maintained in isolated posts by the U.S. armed forces.

In the station derby, Italy comes out way ahead, with 400 transmitters—but 372 are low-powered satellites. West Germany is next with 228, again mostly satellites & boosters. (Both Italy & Germany, incidentally, have started regular uhf service.) Japan has biggest array of regular stations, listing 108, all except 10 of them originating outlets. USSR has an estimated 150 stations & repeaters, Canada 70, France 65, U.K. & Sweden 35 each, Cuba 27, Brazil 24, Mexico 20.

For country-by-country summary table of stations & sets-in-use, see p. 20.

## Auxiliary Services

Closed-circuit Carnegie Hall deal is temporarily off. TelePrompTer had hoped to start the series with a Sept. 26 all-star concert, to be fed to theaters, auditoriums and its CATV systems. But problems quickly mounted. Among them: (1) Insufficient time to make contract arrangements with all talent and to provide "a proper build-up" for the event. (2) TelePrompTer's collection system for pay-TV events fed to its CATV systems is still in the experimental stage. TelePrompTer officials told us they plan to pursue talks with Carnegie Hall (Vol. 16:36 p16) at a more leisurely pace toward the goal of starting a TV concert series early next year.

Translator station applicants should now use revised Form 346, changed in July to provide all required information in initial applications, and should destroy old April 1957 Form 346, the Commission said in a public notice. Copies of the new form are available from FCC field offices as well as Washington hq.

TV control of highway traffic will begin a 2-year, \$400,000 test Nov. 1 on Detroit's heavily congested John Lodge Expressway (Vol. 16:8 p24). The Michigan Highway Dept. reports that it is awarding GE, on the basis of its \$168,116 bid, a contract for the construction, operation and maintenance of the experimental closed-circuit TV system. The test will use a 14-camera hookup to scan 3.2-miles of the midtown expressway and feed the pictures to a control center. Guided by the TV projections of traffic conditions, operators will push buttons to close entrance ramps, cut lane speed, and effect other traffic-control measures. The installation will embrace 11 miles of TV cables, 239 miles of control wires.

Rochester Video, CATV system in Rochester, Minn., has been bought for an undisclosed price by Brainerd Video, Brainerd, Minn., which is headed by Paul J. Schmitt. Frank P. Thompson, vp of the Brainerd system, will be gen. mgr. of both. The Schmitt group also owns systems in Benton & Willmar, Minn. TELEVISION FACTBOOK No. 31 lists the Rochester system with 2,064 subscribers.

## Film & Tape

### More about

**MOVIE MAJORS IN TV:** All of Hollywood's major movie studios & distributors today are involved in TV in some way (see p. 2), and the range of interest-areas is broad indeed. In our own checkup among movie majors, we found these TV activities predominating:

1. Production of studio-produced film shows for network telecasting, or distribution of independently produced shows at network level.
2. Distribution of pre-1948 backlogs of feature films, either directly or through a sales agent. Packages of Hollywood-produced post-1948s are appearing on the network & syndication market in increasing numbers (see p. 6).
3. Production & syndication of film shows.
4. Production to order of TV film & tape commercials directly or through subsidiaries.
5. Studio rental to independent TV program & commercial producers, including crews, facilities, sets, etc.
6. Overseas distribution of telefilm shows & features.
7. Ownership of TV & radio stations.
8. Ownership of or interests in pay-TV or closed-circuit TV companies.
9. Ownership & manufacture of TV-electronics such as pay-TV equipment, color tubes, etc.
10. Film-lab processing & shipping of programs & commercials.

Here's a company-by-company roundup of TV activities of the majors as reported to us:

**Allied Artists:** Network shows this fall—none scheduled, but new informational films div. plans to offer a biographical special on mathematician Albert Einstein to networks as 1961 possibility • Features—AA-owned Interstate TV Corp. currently distributes over 300 titles (including 24 post-1948s) • Syndication—Interstate currently marketing 2 first-run juvenile-appeal cartoon series (*Snip Snap; Foo Foo*), both 30-min. Interstate also supplies a group of 90 "Our Gang" Roach-produced shorts under the syndication title *Little Rascals*, plus other shorts & telefilm reruns.

**Columbia Pictures (via Screen Gems):** Network shows this fall—ABC-TV: *Naked City*, *Donna Reed*, *Flintstones*, *Winston Churchill Memoirs*, *Rin Tin Tin* (reruns) in afternoon strip. CBS-TV: *Dennis the Menace*, *Father Knows Best* (reruns), *Route 66*, *My Sister Eileen*. NBC-TV: *Dan Raven*, *Ruff & Reddy*, (Screen Gems network shows include co-productions with Hanna-Barbera, Herbert B. Leonard and purchasing networks) • Features—currently distributes 600 pre-1948s for Columbia Pictures, 700 pre-1948s for Universal. Plans post-1948 packages for late fall. Also distributes large library of movie short subjects, comedies, etc. • Syndication—currently marketing two 30-min. first-run shows, *3 Faces West* and *Manhunt* (2nd year production), as well as taped *Medicine 1960* series. Total of 24 other rerun syndication series available • Commercials produced—owns subsidiary Elliot, Unger & Elliot • Ownership of TV-radio stations—owns KCPX-TV Salt Lake City through Columbia Pictures Electronics Co. • TV-electronics—in planning stage.

**Walt Disney Productions-Buena Vista Distributing Co.:** Network shows this fall—ABC-TV: *Walt Disney Presents*. NBC-TV: Currently in discussion stage, and may include use of few top post-1948 Disney films as network specials • Features—None; entire backlog withheld from TV except for Disney shows • Commercials—Only special "billboards" for Disney shows • Recently re-purchased AB-PT holdings in Disneyland amusement park.

**Metro-Goldwyn-Mayer (via MGM-TV):** Network shows this fall—ABC-TV: *The Islanders*. NBC-TV: *National Velvet* • Features—distributes library of 700 titles through MGM-TV, plus 52 "Our Gang" comedies, cartoons, shorts, etc. • Syndication—distributes off-network reruns of *Thin Man*, etc. • Commercials produced—inactive, but has produced film commercials • Studio rental—yes. • Ownership of TV-radio stations—None at present, but has been active in past.

**Paramount Pictures (via Paramount TV and Telemeter):** Network shows this fall—CBS-TV: *Mr. Garland* (first network sale) • Features: Paramount pre-1948 backlog of 700 titles distributed by MCA subsidiary EMKA Corp. in long-term deal • Syndication—in planning stage • Studio rental—yes • Ownership of TV stations—KTLA Los Angeles • Pay-TV interests—owns International Telemeter, currently conducting pilot operation with Famous Players Corp. in Toronto suburb • TV-electronics—active in fields of computer, pay-TV, color-tube electronics via subsidiaries; also has owned stock in Du Mont.

**Republic Pictures:** Features—distributes 466 pre- and post-1948 titles through Hollywood TV Service Inc., subsidiary • Syndication—in planning stage under new Victor M. Carter regime • Studio rental—yes, a major activity • Overseas TV distribution—limited distribution of its properties • TV film-lab work—yes, through subsidiary Consolidated Film Labs.

**RKO General Inc. (General Teleradio div., subsidiary of General Tire & Rubber Co.):** Features—RKO pre-1948 backlog formerly handled on time-&-cash basis by C&C Films now distributed by United Artists Associated, which now has 729 RKO titles including nearly 100 post-1948s. Additionally, Show Corp. of America distributes 66 post-1948 RKO titles. RKO plans to syndicate 17-title package of European-produced, English-dubbed features, all post-1948s, this fall • Commercials—owns Robert Lawrence Productions • Studio rental—No, studio sold to Desilu Productions • Ownership of TV-radio stations—WNAC-TV & WNAC Boston, KHJ-TV & KHJ Los Angeles, KFRC San Francisco, WOR-TV & WOR N.Y., WHBQ-TV & WHBQ Memphis, WGMS Washington; through Canadian subsidiary owns ½ of CKLW-TV Windsor-Detroit (CKLW); also operates Yankee Network • Pay-TV interests—has deal with Zenith for future Hartford operation with Phonevision if granted FCC approval • RKO General, since it sold its studio to Desilu and went out of production, has no movie interests.

**20th Century-Fox (via TCF-TV):** Network shows this fall—ABC-TV: *Hong Kong, Adventures in Paradise*. CBS-TV: *Many Loves of Dobie Gillis*. Also planning *Strange World of Jules Verne* for 1961-62 fall season • Features—total of 552 titles, including new group of 27 post-1948 20th-Fox features, distributed by NTA • Syndication—in planning stage • Commercials—produces theatrical commercials, sometimes used on TV, through Movietone • Studio rental—only to TV producers who have distribution deals with 20th-Fox • Ownership of TV-radio stations—KMSP-TV Minneapolis, plans to buy more • Pay-TV interests—discussing possible deal with Matthew J. (Matty) Fox • TV-electronics—owns partial interest in Eidophor theatrical large-screen TV system • TV film lab work—through subsidiary Deluxe Film Labs.

**United Artists (via UAA and Ziv-UA):** Network shows this fall—CBS-TV: *Aquanauts*. NBC-TV: *Klondike*, *Bat Masterson* • Features—UAA has largest feature library in field, totaling nearly 2,000 titles, including backlogs of Warner Bros., RKO, United Artists, Monogram and many independents. Also has extensive library of Warner car-

toons, *Popeye*, short subjects, etc. • Syndication—Ziv-UA currently marketing in first-run syndication *Case of the Dangerous Robin*, *Lockup*, reruns of *Tombstone Territory*, new cycles of *Sea Hunt*, etc. Total Ziv-UA syndication list is over 30 series. UAA plans new cartoon syndication series • Commercials—occasional commercials for syndication sponsors • Studio rental—yes • Ownership of TV-radio stations—no, but UA has created subsidiary at Ziv lot in Hollywood to scout station purchases.

**Universal Pictures: Features**—(see Columbia Pictures-Screen Gems).

**Warner Bros:** Network shows this fall—ABC-TV: *Maverick*, *Lawman*, *Cheyenne*, *Surfside Six*, *Bugs Bunny*, *Hawaiian Eye*, *77 Sunset Strip*, *Roaring Twenties* • Features—entire pre-1948 backlog of 754 titles, plus WB-produced cartoons & shorts, distributed by UAA. New package of 122 post-1948 WB titles being distributed by 7 Arts Corp. (Creative Telefilm & Artists Inc.) in deal for \$11 million plus WB share of profits • Syndication—no domestic, but sells WB telefilms overseas • Commercials—none produced by studio, but has “facilities exchange” deal with N.Y. commercial-making Filmways Inc.

**First Comes The Word:** There's nothing wrong with TV that good writing can't cure, Hollywood writers have always contended. Trouble is, too much interference & too many restrictions are imposed on writers, they've added. So last week a group of writers tried to do something about this. They banded together under the name of Company of Writers, and turned in the first of 5 pilot scripts they will do for Screen Gems. SG has assured them “artistic control of their properties,” they said. Asked what will happen if one of their series sells and a sponsor or agency denies them control, they said they wouldn't argue about a line, but if a series concept is changed (as happened in the case of *Mr. Lucky*) that would be different. But “we'll cross that bridge when we come to it,” they added.

Reluctant to disclose the nature of their 5 pilot projects, they did say that “not one shot was fired” in them; and that they are neither Westerns nor private eyes. “We hope to create trends of our own,” asserted Paul Harrison, producer-director, and exec. producer of COW.

Some of those enlisted in the ambitious venture are screen writers with little or no TV experience; some have ample TV backgrounds. Involved are Harrison (*The Untouchables*, exec. producer at Screen Gems, ex-CBS-TV), Ivan Goff & Ben Roberts (teamed on pilot of SG's *The Fat Man*), Liam O'Brien, (pilot of *Johnny Midnight*), Marion Hargrove (*Mavcrick*, *77 Sunset Strip*, *Cheyenne*, *Dick Powell's Zane Grey Theater*, *Colt .45*, *Telephone Time*), and Richard Murphy (screen writer, no TV).

Three of COW's pilot scripts will be delivered to SG by Sept. 19, the remaining 2 by Nov. 19. Four are half-hour series, one is 60-min. If COW is successful, it will expand into the financing of movie & stage productions.

Screen Extras Guild has voted approval of a new contract with the Alliance of Television Film Producers and the Assn. of Motion Picture Producers by a majority of better than 94%. The contract taking effect this week (Sept. 12), provides increased wage scales & improved working conditions for extras.

**Bonnaker Productions** will pilot *The Drumbeater* Sept. 26. Pat Harrington Jr. stars.

## HOLLYWOOD ROUNDUP

**ABC-TV's Selmar Film Co.:** Selmar Productions Inc. is the name of ABC-TV's new film & tape production subsidiary, and it's off to a good start with 2 taped shows to begin on the network this fall (Vol. 16:30 p9). One, *Day in Court*, has been on ABC-TV for some time, and will now be produced by Selmar. The other, also daytime, is *Morning Court*. It goes on Oct. 10.

Selmar is now developing film properties and expects to have some deals set by mid-October. Thus far the organization consists of 3 executives: ex-KABC-TV Los Angeles gen. mgr. Selig Seligman, pres.; ex-KABC-TV program dir. Peter Robinson, in charge of programming; and Leon Mirell, ex-MGM-TV dir. of business affairs, in charge of business & administration.

86 movies have been or are being made so far this year in Hollywood, compared with 118 for the same period of last year. We saw a striking example last week of the switch from cinema to TV film at the sprawling Metro-Goldwyn-Mayer plant in Culver City. Once a turmoil of movie activity, MGM last week hadn't a single picture in production at its home lot. But it was most certainly busy with TV film—2 of MGM-TV's own series (*The Islanders* and *National Velvet*) and those of tenant producers (*Peter Gunn*, *The Outlaws*, *One Step Beyond*, *Oh Those Bells*, *Rawhide*, *Twilight Zone*, *The Brothers Brannagan*, *The Tab Hunter Show* and *The Jim Backus Show*). Warner Bros.' Burbank plant, too, without a single movie before the cameras, but busy with its series for ABC-TV, would be paralyzed without TV.

TV-film producers, an insecure lot at best, are now expressing anxiety over what the Presidential election campaign will do to their ratings. They tell us they are concerned that pre-emptions will not only jar series ratings, but that election-conscious Americans may show less interest in regular TV programming. This may lead sponsors & agencies to drop series sooner than usual. Explained one producer: “Usually you know by late October what shows are going to make it. But because of the campaign, I don't think you'll get a clear picture this year until late November or early December. And by then a sponsor may cancel a show.”

Some 95% of “scabbing” accusations during the recent Writers Guild of America strikes against telefilm & movie producers in Hollywood were false & unfounded; WGA's disciplinary committee has announced that it is investigating the remaining 5%. One member's trial has been held, ending in a guilty verdict. The committee will remain in force “until the last of the accused is either cleared or convicted,” but it will not operate as a “goon squad,” “kangaroo court” or “literary mafia,” it stated. The committee's surmise is that management got most scripts during the strike from non-WGA-members—actors, directors, producers, even clerical help at the studios.

Screen Gems resumes production this week on syndicated *2 Faces West*, starring Charles Bateman & June Blair. Matt Rapf is producer.

**People:** Ziv-UA signed ex-MGM-TV producer Richard Bare as a producer . . . Vance King named PR dir. & mgr. of Hollywood Museum Associates, non-profit corporation formed to promote the movie & TV museum.

## NEW YORK ROUNDUP

Screen Gems anti-trust case, in which N.Y.'s U.S. District Court absolved parent Columbia Pictures and Universal Pictures of any violations of the Sherman & Clayton Acts in TV film deals (Vol. 16:34 p10), has been marked "closed" by the Justice Dept. Govt. attorneys had contemplated carrying the July ruling by the District Court to the Supreme Court, but let a 60-day deadline for filing pass without making a further move in the case. A Justice Dept. source told us that the decision against appealing the Screen Gems ruling will not affect the govt's prosecution of a similar case—now in pre-trial proceedings—involving United Artists. UA is accused of anti-trust violations in deals with Warner Bros. & RKO-Radio Pictures for pre-1950 films for TV distribution. The UA case will probably go to trial in the N.Y. District Court within the next 2 months.

Cooperative Advertising Associates Pres. Lester Krugman recently outlined to us (Vol. 16:34 p10) a suggestion that TV syndicators could tap major new revenue by selling a show on a national basis to a major automotive manufacturer and then placing it, on a co-op basis locally, through dealers. Last week, just such a deal was announced. Studebaker-Packard Corp., on behalf of its Lark compacts and through the D'Arcy agency, signed for a 30-min. filmed comedy series, *Wilbur & Mr. Ed*, produced by Filmways and represented by MCA. The show, which stars Alan Young and is the creation of Al Simon, Arthur Lubin and George Burns, will be spot-placed by Studebaker-Packard in over 120 markets in local-rate co-op time purchases with Lark dealers.

"TV Channels," the new syndicated supplement for Sunday newspapers, began distribution in the *Boston Sunday Herald* Sept. 11. This paper, added to the present list (*Los Angeles Times*, *Washington Post*, *Dallas Morning News* and *Bridgeport Sunday Herald*) brings the supplement to a circulation of 1,954,592. It is a 16-page section into which the newspaper binds its area's own locally-printed program schedules.

N.Y.U. will provide a training ground for animators this fall in a workshop course oriented toward the humorous art. The program may come as a relief for producers and animators' unions which have complained of the shortage of trained cartoonists (Vol. 16:26 p6).

Add syndication sales: NTA wrapped up 4 new markets last week for *Play of the Week*, making a total of 56. New buyers: WHEN-TV Syracuse, N.Y.; WTOL-TV Toledo, Ohio; WTVR Richmond, Va.; WRCV-TV Philadelphia, Pa. . . ITC's *Best of the Post* has been sold in 94 markets to date . . . Ziv-UA announced markets for *Lock Up* now number 184, and *Case of the Dangerous Robin*, 142.

Bob Hope signed a 5-yr. contract renewal with NBC-TV last week to include 6-to-8 60-min. specials and one 2-hr. special each season.

Young mothers watch more TV, both daytime & evening, than other women, reported a recent TvAR study. Women with children under 6 years devote "an average of 5 hrs., 17 min. each weekday to TV, while all other women average 4 hrs. 1 min.," said the rep concern.

People: Ray Heindorf, former Hollywood music director, signed by CBS-TV as music director of "An Hour with Danny Kaye," Oct. 30 special . . . Sidney Ginsberg named Trans-Lux TV asst. vp in charge of production.

## Programming

### More about

**MARCH OF THE POST-1948s:** Sales deals, actual & proposed, and an important legal decision highlighted industry activity last week in lining up post-1948 features for TV's fall schedules. Among developments:

A last-ditch effort by the American Federation of Musicians failed completely to block the sale of the first major post-1948 package of Warner Bros. films. AFM, seeking an injunction in Federal District Court, N.Y. to hold back the package, on grounds that musicians should be paid a royalty for their soundtrack music (Vol. 16:34 p10 et seq.), was flatly denied the petition by Judge William B. Herlands. This means that 7 Arts Corp.—the Canadian distribution firm established by Eliot Hyman which has an \$11-million deal with WB for the package—now gets the green light to begin station & network sales.

It was a double rebuke to AFM, for Judge Herlands added that a grant of AFM's petition would be "infringing on the representation rights of the Musicians Guild of America." This is the rival musical union which has been representing WB-employed musicians and has just concluded 4-year Hollywood agreements with several major record companies (including TV-allied Disney Records).

AFM promptly appealed the Federal District Court decision, although its chances looked slim. The union also served notice it will "continue to file suit against any major motion picture producer that ignores its contractual pledge to the federation." Current AFM contracts, although not cutting union members in for a direct slice of post-1948 TV revenue, call for "prior consent" to TV re-use of such films.

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On another Hollywood movie front, however, AFM scored a union victory. In a representation election, AFM was restored as bargaining agent (vs. the MGA) for musicians employed by major studios. AFM Pres. Herman Kenin hailed the vote as signaling "the speedy end of dual unionism and the kind of unity of purpose that enables an honest trade union to represent its members effectively." With AFM now back in its former position as collective bargaining agent for studio musicians, AFM's hand was strengthened somewhat in dealing on post-1948 issues.

\* \* \*

Network-level interest in post-1948 movies continues, meanwhile. MGM-TV, we're told, is quietly feeling out network attitude toward "An American in Paris," the Oscar-winning 1951 musical starring Gene Kelly & Leslie Caron. Modeling its approach on CBS-TV's successful once-a-year use of "The Wizard of Oz," MGM is exploring a minimum 3-year deal whereby the film would be sold for a rumored \$1 million to a network for telecasting as an annual, multiple-sponsored special. Interest in such films-on-network projects is primarily centered at NBC-TV, whose programs & talent vp David Levy visualizes them as blockbuster color shows with pre-sold audience.

\* \* \*

Levy's alma mater, Young & Rubicam, is also interested in network-level feature shows. The agency has been discussing possible post-1948 properties with still another former Y&R executive, 20th Century-Fox TV Pres. Peter Levanthes, and with Columbia-owned Screen Gems.

Y&R's tentative blueprints call for one-shot movie specials, paying less than \$100,000 per picture for network use, but relinquishing the films immediately for use in syn-

dicated feature packages. Columbia's "Bell, Book & Candle," as we reported several weeks ago (Vol. 16:34 p3), is also being sought as a network special by NBC-TV and by the C. J. La Roche agency.

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Post-1948s are also among the hotter fall properties in station-level syndication sales, with considerable interest being shown in new packages by major market outlets. The 7 Arts-Warner Bros. package (see above) has not yet been offered officially in syndication. But UAA has been scoring some quick sales for its recently acquired UA "Box-office 26" package. An all-post-1948 package (whose films include "The Barefoot Contessa" with Ava Gardner & Humphrey Bogart, "Attack" with Jack Palance, and "The King & 4 Queens" with Clark Gable), the group has been sold so far to KTVK Phoenix and KLRJ-TV Las Vegas. Other deals for the package are in the works, including a pending sale to WNBC-TV N.Y. (which is trying to build up its own feature library to rival the 18-month supply accumulated by WCBS-TV N.Y.).

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WOR-TV N.Y., thanks to a recent deal with parent RKO General, will feature 13 or more post-1948 RKO films in its fall *Million Dollar Movie* series. These include "Bundle of Joy" with Eddie Fisher & Debbie Reynolds, and "The Americano" with Glenn Ford & Frank Lovejoy. The latter film will initiate a series of colorcast *MDM* features on WOR-TV next month.

\* \* \*

WNTA-TV N.Y. will function as a private showcase for Chicago buyers who are interested in its recently-purchased 20th Century-Fox post-1948 package (distributed through NTA). Special screenings will be provided for 300 Chicago agency men and advertisers beginning this month, showing highlight clips from the post-1948 features.

■ ■ ■

"Hollywood has an advanced case of intellectual leprosy," *Time* magazine quotes David Susskind who is presently in the film capital making "A Raisin in the Sun" for Columbia Pictures. Added Susskind: "It is sterile & bland, a place of languor & procrastination, of overwhelming provincialism." Retorted Oscar Levant: "Susskind is salami dipped in chicken fat." The TV producer, who this year raises his production from 1959's \$12 million to \$30 million, uttered another quote after meeting with MGM exec. Benny Thau: "The only thing we have in common is breathing."

WTVJ (Ch. 4) Miami, has inaugurated a Mon.-Fri. Spanish-language news service entitled *News en Español*. The twice-daily program (6:45 a.m. and each weeknight following the late movie) emphasizes Cuban and other Latin American news, and will be supplied with newsmag reports by Central & South American TV stations. The programs include an "answers-to-viewers'-questions" service designed, according to station pres. Mitchell Wolfson, to orient newly-arrived Latin Americans.

Voice of Democracy broadcast script-writing contest is under way again. Kits for the 14th annual competition for high school students, co-sponsored by NAB, EIA and state broadcasters' associations, in cooperation with Veterans of Foreign Wars, have been sent to all broadcasters & VFW posts. College-scholarship contest instructions also are being mailed to 28,000 high schools. Top winners will be picked next February.

## Networks

**John Crosby vs. NBC:** A quick feud flared last week between John Crosby & NBC. It kicked off when the TV columnist roasted the network and its management in a Sept. 7 column alleging that the network's present policies were creating a "mess of colossal proportions."

Crosby got in over his head, though, by venturing into figures. One of his statements was that NBC is "*earning* [italics are ours] \$230 million annually." A checkup reveals that the figure is actually a close guess at the *gross* 1959 revenue time & talent—of NBC-TV. That network provides about two-thirds of the gross revenue of \$323 million reported for all NBC activities (TV & radio networks, o&o stations, syndication, etc.) by RCA for 1959.

Departing from his role of critic, Crosby charged that NBC's programming in the last few seasons ("... Quality was to be sacrificed to get more viewers") has been a financial flop. NBC's profits, he asserted, have skidded from a 1956 Pat Weaver-administration figure of "between \$18 & \$19 million," to a profit last year of "between \$2 & \$5 million" under the Sarnoff-Kintner regime. "Virtually its only 2 profitable operations" said Crosby "are *Today* and *Tonight*, both of them left over from the regime of Pat Weaver, the visionary," said Crosby.

Crosby's blast provoked an unusual response from NBC, which generally turns the other cheek where major syndicated columnists are concerned. NBC Chmn. Robert W. Sarnoff and Pres. Robert E. Kintner fired off a joint letter to Crosby's boss, *Herald-Tribune* Pres.-editor Robert M. White II. In it, Sarnoff & Kintner termed the Crosby column "vindictive & distorted" as well as "false & damaging." Crosby, said the NBC executives, "is not competent to deal" with questions of network operation and management, and committed "errors of fact."

### Sarnoff Predicts Record Profits

Far from losing profits (as Crosby had charged), NBC's profits "were at a near-record level and for the 4th quarter of that year were the highest in the company's history." Indications in 1960 are that "NBC will earn an all-time high in profits for the year," said the Sarnoff-Kintner letter, although no specific figures were given.

Crosby's slap at NBC was, as the NBC executives saw it, "a striking example of his bias, since he gives no recognition to NBC's accomplishments in news & public affairs . . . entertainment programs of outstanding merit . . . development of color TV—all costly undertakings."

Although NBC didn't mention them in its letter (which was printed in the letters-to-the-editor column of the Sept. 9 *Herald-Tribune*), Crosby had advanced other inaccuracies. For one thing, he indicated that NBC had "tossed out" *Philco Playhouse*, a "quality dramatic" series; actually, Philco never renewed the show. For another, Crosby charged that NBC had plunged in ratings from top spot to third place, and that the daytime schedule "is a failure." But in the first half of 1960, according to Nielsen the nighttime (6-11 p.m.) network audience shares averaged: CBS-TV—33.5; NBC-TV—29.2; ABC-TV—28.5. In daytime, NBC is even stronger. Daytime (10 a.m.-1 p.m., 2-5 p.m.) Nielsen shares in the first half of the year ran: CBS-TV—37.0; NBC-TV—34.0; ABC-TV—18.0.

There was no apparent Wall St. effect of the Crosby column. In the 2 days following the column's appearance, the price of RCA common dropped from 61½ to 59½—a drop that was almost exactly the same as the 2-point average sag reported in the market by Dow-Jones.

**2 Seek Canadian Nets:** Two competing groups sought approval as Canada's 2nd—and first privately-owned—network in briefs before the Board of Broadcast Governors in Ottawa last week. Of 4 comments filed on the subject, only one expressed opposition to the idea of a 2nd network.

These groups proposed to operate Canadian networks:

(1) The Independent Television Organization (ITO), a cooperative to be owned by 8 recently-approved private TV stations (none of them yet on the air). Headed by R. E. Misener, gen. mgr. of upcoming CFCF-TV Montreal, the group proposed initial non-interconnected operation via exchange of video tape & film.

(2) S. W. (Spence) Caldwell, head of big Toronto TV film producer-distributor S. W. Caldwell Ltd., proposed to operate a network which would use microwave interconnections from the outset.

Govt.-supported CBC, which operates the only existing Canadian network, stated that it isn't opposed to competition from a private network so long as the same conditions & responsibilities are imposed on both networks.

Graham Spry of the Canadian Bestg. League, on the other hand, expressed fear for the CBC's future in competition with a private network. He predicted that commercial interests would freeze CBC out of mass-appeal programming, thereby reducing its ad revenues and imposing a burden on the taxpayers. CBC's deficit is met by the govt.

ABC-TV affiliates will hold their pre-fall-season meeting in Hollywood this week. The board of the Affiliates Advisory Assn. met Sept. 11 at the Beverly Hills Hotel. Later this week, the board will join ABC executives in a final discussion of new program plans, local-level promotion & new network policies.

"Oh Those Bells," new CBS-TV situation comedy series starring the Wiere Bros. and produced by Ben Brady, begins production Sept. 13 at MGM.

Oscarcast sales drive is on at ABC-TV. Most likely prospects are reportedly Revlon, General Foods and P&G.

## NETWORK SALES ACTIVITY

### ABC-TV

Maverick, Sun. 7:40-8:30 p.m., part. eff. April.  
E. I. Du Pont (N. W. Ayer & Son.)

Hong Kong, Wed. 7:30-8:30 p.m., part. eff. May.  
E. I. Du Pont (N. W. Ayer & Son.)

Cheyenne, Mon. 7:30-8:30 p.m., part. eff. April.  
E. I. Du Pont (N. W. Ayer & Son.)

Republican Presidential candidate, 8 telecasts p.m., eff. during Oct. only. Full sponsorship.  
Republican National Committee (Campaign Assoc.)

Daytime programming, Mon.-Fri. a.m. part. eff. Sept.  
American Cyanamid (Erwin Wasey, Ruthrauff & Ryan)  
Sterling Drugs (Dancer-Fitzgerald-Sample)  
Campbell Soup (Needham, Louis & Brorby)  
Block Drugs (L. C. Gumbinner)

Lawrence Welk Show, Sat. 9-10 p.m., part. eff. Dec.  
Polaroid (Doyle Dane Bernbach)

### NBC-TV

John Brown's Raid (special), Oct. 25, 10-11 p.m., full sponsorship.  
Purex (Edward H. Weiss)

TV-radio debate schedules were resolved last week among the networks for the scheduled Nixon-Kennedy appearances in the pre-election period (Vol. 16:36 p7). In Sept. 9 meeting between NBC news vp William McAndrew, ABC vp for public affairs John Daly, and CBS News Pres. Sig Mickelson, some coin-flipping resulted in this pool-coverage schedule: CBS will handle the Sept. 26 show. NBC will handle an Oct. 7 panel show (a date to be confirmed by the Presidential aspirants). And ABC will originate shows on Oct. 13 & 21. All shows will be fed to all TV-radio networks. Apart from the face-to-face sessions, the candidates will be seen on other shows. The Sept. 29 *Person to Person* show, for instance, will have Kennedy as a guest in its season premiere, with Nixon scheduled shortly thereafter. Both NBC & CBS plan several documentary specials that will be profiles of the key candidates in the forthcoming election, and a Nov. 13 *Omnibus* show on NBC, after the election, will feature a study of the office & powers of the President.

## Stations

**NEW & UPCOMING STATIONS:** The year's 15th new-station starter—and 5th educational outlet to begin in 1960—is KERA-TV (Ch. 13) Dallas, operated by the Area Educational TV Foundation. It brings the total of operating U.S. stations to 571 (482 vhf, 89 uhf), of which 49 are non-commercial.

KERA-TV plans its inaugural program Sept. 11, beginning regular programming Sept. 12 with approximately 15 hours of live school programming weekly, "and at least as much adult programming, mostly film & tape from NET," according to exec. dir. Martin Campbell. The station is housed in temporary quarters in a schoolhouse borrowed from the Board of Education, pending completion of permanent quarters in 1961. It is using a 300-ft. tower, transmitter and other equipment purchased from WFAA-TV. The 48th affiliate of NET, KERA-TV claims to be "the first ETV station equipped to broadcast in color."

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

KWCS-TV (Ch. 18, educational) Ogden, Utah, installing 1-kw RCA transmitter, expects to begin programming in Sept., reports T. H. Bell, supt. of grantee Weber County School Dist. It has Deale Electric antenna on 112-ft. stainless tower. John A. Larson, station dir. & Norman Barber, engineer, both have been working in the school district's closed-circuit operation.

KEYC-TV (Ch. 12) Mankato, Minn., with 11-kw RCA driver installed and 25-kw amplifier on hand, expects to meet Oct. 1 target, says Herbert R. Ohrt, exec. vp of Lee Radio Inc., 70% owner. Mankato studio building is scheduled to be ready Sept. 15. Transmitter house in Lewisville, Minn. was completed early in Aug. Kimco 1040-ft. tower is ready for RCA traveling wave antenna which arrived late in Aug. Bob Gardner, ex-Las Vegas TV stations, is station mgr.; Hap Halligan, ex-KGLO-TV Mason City, sales mgr.; Bob Cavanaugh, ex-KGLO-TV, program dir.; Don Borchert, ex-KGLO-TV, chief engineer. Network affiliation hasn't been signed. Base hour, \$300; rep, Branham.

WIPM-TV (Ch. 3) Mayaguez, P.R., planned as non-commercial operation of P.R. Dept. of Education, now has Oct. programming target, writes R. Delgado Marquez, gen. mgr. of Dept.'s other station WIPR-TV (Ch. 6, educational)

San Juan. It has 6-kw RCA transmitter ready for use, but installation of antenna on 202-ft. Ideco tower has been delayed until this month.

**WTVI** (Ch. 19) Fort Pierce, Fla. has completed studio-transmitter building on Signal Hill, between Fort Pierce & Vero Beach, and plans Nov. 1 start with CBS-TV & ABC-TV, writes Gene T. Dyer, owner-mgr. GE 12-kw transmitter was scheduled to arrive before end of Aug. It has 380-ft. Stainless tower ready for GE antenna, also due by end of Aug. J. Patrick Beacom, pres. of WJPB-TV (Ch. 5) Weston, W.Va. is exec. mgr.; Les Combs, station mgr.; Ken Sanders, ex-WLWD Dayton & WNEM-TV Bay City, program mgr.; Joe Strelauski, ex-WJPB-TV, chief engineer. Base hour will be \$300. Rep will be Forjoe.

**KCSD-TV** (Ch. 19) Kansas City, Mo. expects to meet Nov. 15 target as non-commercial educational outlet of School Dist. 19 there, reports J. Glenn Travis, admin. asst. to the school supt. Stub tower on top of City Hall is ready for antenna, and construction of studios in Board of Education Bldg. has started. GE 1-kw transmitter & antenna are due to arrive Sept. 5. Clyde Howe, ex-WIBW-TV Topeka, is chief engineer.

**KEZI-TV** (Ch. 9) Eugene, Ore. has ordered 35-kw GE transmitter and plans Nov. start, according to D. A. McDonald, pres. of grantee Liberty Television Inc. Tower Sales Erecting Co. is furnishing 200-ft. tower. Base hour not set. Meeker will be rep.

**KIFI-TV** (Ch. 8) Idaho Falls, Ida. has tentative Dec. 1 target, awaiting FCC approval for maximum power, reports James M. Brady, pres. of grantee Eastern Idaho Bestg. TV Co., and operator of radio KIFI. GE 28-kw transmitter has been ordered for delivery about Nov. 1. Studio building is ready, but construction of transmitter house awaits FCC power boost approval. Tower Construction Co. has begun work on 100-ft. tower and GE antenna is due about Nov. 1 also. Network affiliation hasn't been signed. Base hourly rate not set. Rep will be Gill-Perna.

**KCDA** (Ch. 3) Douglas, Ariz. has changed target to next Dec., according to Mike Ling, national sales mgr. of owner Electron Corp. Building is on hand for 250-watt Electron transmitter scheduled for delivery in Dec. Alford antenna also is due in Dec. for installation on 100-ft. Rohn tower. Base hour not set. Rep not chosen.

**WLTV** (Ch. 13) Bowling Green, Ky. has ordered Standard Electronics transmitter for Nov. delivery and plans Dec. programming, writes grantee George A. Brown Jr., Ky. representative of General Shoe Corp. Construction has begun on studio-transmitter building. It will use 600-ft. Stainless tower. Network affiliation hasn't been signed, base hour not set, rep not chosen.

**KCBY-TV** (Ch. 11) Coos Bay, Ore. finished building construction at end of Aug., but won't begin NBC-TV programming until later in fall as semi-satellite of parent KVAL-TV (Ch. 13) Eugene, Ore., writes S. W. McCready, KVAL-TV gen. mgr. RCA antenna has been installed on 200-ft. Fisher tower and RCA 2-kw transmitter is scheduled to be ready for use by Sept. 25. Milton Lindley, from KPIC (Ch. 4) Roseburg, Ore., also KVAL-TV satellite, will be resident mgr.; Glenn McCready, also ex-KPIC, resident engineer. Base hour will be \$150. Rep will be Hollingbery.

**KCND-TV** (Ch. 12) Pembina, N.D., planning fall start, has transmitter house nearly ready for 2-kw RCA transmitter, reports operations dir. Charles K. Bundie, ex-KNOX-TV (Ch. 10) Grand Forks, N.D., which owns 25% of KCND-TV. Studio-office building also is nearly complete and work on 1350-ft. Stainless tower began early in Aug. Gene Higdem, ex-KNOX-TV, is production dir. It's nego-

tiating for network affiliation. Base hour will be \$400. Reps will be Meeker, Wayne Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), Representatives Ltd. (Canada).

**KFOY-TV** (Ch. 9) Hot Springs, Ark. hasn't named specific target, but 500-watt Gates transmitter was due late in Aug., according to acting mgr. John Whitt, also sales mgr. of KFSA-TV, Fort Smith, Ark. Owner is newspaper publisher Donald W. Reynolds, who also operates KFSA-TV Fort Smith (KFSA), KLRJ-TV Las Vegas (KORK), KOLO-TV Reno (KOLO) & KGNS-TV Laredo, Tex. Network affiliation hasn't been signed as yet. Base hour not set. Rep will be Headley-Reed.

**WBNB** (Ch. 10) Charlotte Amalie, V.I. has 500-watt Gates transmitter scheduled for delivery in Nov. and plans to begin programming by next Jan. 1, reports Robert Moss, pres. of grantee Island Bestg. Co. Construction has begun on studio-transmitter building, and 160-ft. Utility tower is to be shipped to Island in Oct. It's negotiating for network affiliation. Base hour not set and rep not chosen.

**KTWX-TV** (Ch. 9) Sheridan, Wyo. start has been delayed until sometime this fall or winter, says Pres. Burt I. Harris, also pres. of Harriscope Inc., TV producer & packager. Postponement of satellite to KTWO-TV (Ch. 2) Casper, Wyo. is caused by booster situation in area. KTWO-TV has \$150 base hour. Rep is Meeker.

**WPTT** (Ch. 10) Augusta, Me. plans start in fall of 1961 as educational non-commercial outlet, reports Dr. Charles S. Phillips, pres. of Bates College, Lewiston, Me., which acquired CP this summer from Richard S. Robie.

**KAIT-TV** (Ch. 8) Jonesboro, Ark. now doesn't have a target date, but is in process of letting contract for studio-transmitter building, according to owner George T. Hernreich, owner of Fort Smith radio KFPW and onetime 50% owner of KFSA-TV there (under KNAC-TV call).

**CJCH-TV** (Ch. 5) Halifax, N.S. call letters pending approval of Board of Transport, hasn't reported a target, but has ordered GE transmitter, writes A. D. Grayston for radio CJCH gen. mgr. Finlay MacDonald. Footings & foundation of tower were completed Aug. 27. Base hour not set. Rep not chosen.

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**WWLP** Springfield, Mass. (Ch. 22) will be equipped for color-film origination this month, according to Pres. William L. Putnam.

## Obituary

William F. O'Neil, 76, founder & chairman of General Tire & Rubber Co., died of a heart ailment Sept. 4 at his home in Akron. His was one of the first U.S. firms unconnected with entertainment or electronics to diversify into broadcasting when in 1942 it purchased the Yankee Network. It later acquired control of the Mutual Bestg. System and the Don Lee network, neither of which it now owns. O'Neil's penchant for diversification and his faith in broadcasting led to the empire which now includes 5 TV & 7 radio stations. He was instrumental in opening the floodgate of old feature movies to TV when in 1955 his General Tire purchased RKO Radio Pictures from Howard Hughes for \$25 million, later selling off the feature film backlog to Matty Fox but retaining rights to exclusive showings of the films in markets where his General Teleradio owned TV outlets. He is survived by his widow, and by 4 sons—Thomas F., vice chmn. of General Tire and pres.-chmn. of RKO General Inc. (TV-radio stations); Michael G., General Tire pres.; John, General Tire finance committee chmn.; William, owner of radio WSKP Miami—a daughter, and 26 grandchildren.

**Payola Charge Fought:** FTC has been challenged by Interstate Electric Co., New Orleans distributor of Columbia Records, to prove that any of its dealings with TV & radio disc jockeys and station managements constituted illegal payola.

Joining Washington's Schwartz Bros. Inc. as one of a few among 100-odd FTC-cited record firms to fight payola complaints (Vol. 16:35 p10), Interstate Electric & 4 officers demanded that FTC's case against them be dismissed.

The New Orleans company, charged in June with making under-the-turntable payments to station personnel (Vol. 16:28 p7), said in its formal answer that it "has participated in generally accepted & entirely proper promotions & advertising activities looking toward increased distribution & sale of Columbia phonograph records & other products."

But Interstate & officers L. L. Hirsh, George C. Howell Jr., F. P. Goodwin Jr. and Millard H. Cook insisted: "Such promotions & activities were not intended to, nor did they in fact, influence, induce, obtain, insure, stimulate or motivate selection or 'exposure' of phonograph records alleged in the complaint, or mislead & deceive the public."

Meanwhile, 3 more N.Y. record firms in effect pleaded no-defense in FTC payola cases against them, without admitting they violated any law. Carlton Record Corp. & Carlton Record Distributing Corp. and Hugo & Luigi Products Inc. signed consent orders forbidding them to make concealed payments to anybody for broadcasting their records.

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Last headline hearing of 1960 by House Commerce Legislative Oversight Subcommittee probably has been held (Vol. 16:36 p4)—and the special investigative unit itself may not be revived in the next Congress. No further public proceedings by the Oversighters were scheduled last week by Chmn. Harris (D-Ark.) following adjournment of the 86th Congress. And he was reported undecided on whether to ask the new House next Jan. for an extension of the life of the Subcommittee, which will go out of business at the end of this year. Meanwhile, the Subcommittee staff (already whittled down from its full strength of 32) was settling down to its post-adjunction assignment of drafting a final 1959-60 report, due in Dec. It will cover payola, quiz & other hearings, make recommendations for additional TV-radio-FCC legislation. It's likely that the recommendations will repeat Subcommittee proposals for FCC regulation of networks, among other things. One thing is sure, whether or not the Oversight Subcommittee opens up again at its old Hill stand next year, broadcasters will not be ignored by Harris. He's already outlined a Commerce Committee agenda for them in the 87th Congress (Vol. 16:33 p3).

Americans are devoting 160 billion hours annually to watching TV, reports A. C. Nielsen. The figure is derived from the 5 hours & 3 minutes per day from June 1959 through May 1960 during which the average TV home was tuned in. There were 1.9 viewers per viewing home.

NAB's music advisory committee, which had been scheduled to meet Sept. 8 in Washington (Vol. 16:33 p10), postponed its session until Sept. 22.

Metropolitan Broadcasting Corp. has established a new office in Philadelphia, where vp Benedict Gimbel Jr. will maintain his hq.

NAB has resumed publication of *Stateside*, its bi-monthly newsletter for state broadcasting organizations.

**Broadcast Engineering Symposium:** Automated TV will be the main theme of the 10th annual symposium of IRE's professional broadcasting group Sept. 23-24 in the Willard Hotel, Washington.

First-day papers: "TV Station Automation," F. R. McNicol (RCA). "Application of Digital Computers to Station Program Sequence Switching Control," A. B. Ettlinger (CBS). "Amtec," Anthony Sverda (Ampex). "An Automatic Program Logging Device," R. M. Brockway & Robert Flanders (WFBM-TV Indianapolis). "High Voltage Solid State Rectifiers in Existing Transmitters," Lynn R. Zellmer (GE).

Second-day papers: "A Further Analysis of TASO Panel 6 Data on Signal-to-Interference Ratios," Harry Fine (FCC). "TV Tape Recording," RCA representative. "CBS-TV Standards Conversion Techniques," K. B. Benson & Alfonso Cosentino (CBS). "Sine Squared Pulses in TV System Analysis," Ralph Kennedy (NBC). "Planning & Erecting a 1,619-ft. tower for TV," Roger Hodgkins (WGAN-TV Portland, Me.). "New Type Image Orthicon," Dr. H. J. Hannam (GE). "Directional Antennas for Vhf TV," RCA representative. NBC paper, J. L. Hathaway (NBC). "Intersync," Harold Clark (Ampex). "Airborne TV Broadcasting for Educational Purposes," Charles E. Nobles (Westinghouse).

First-day sessions also will include: (1) Technical discussions at FCC with such Commission personnel as chief engineer Edward W. Allen. (2) A Willard banquet at which the winner of IRE's Scott Helt award will be announced, and VOA dir. Henry Loomis will speak.

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Handy TV-radio guide on payola definitions, as developed in the legislative history of the new Harris-Pastore Act (Vol. 16:36 p4), has been mailed to all NAB members by chief counsel Douglas A. Anello. The 4-page sheet lists examples of circumstances requiring—& not requiring—sponsor identification: (1) When records are supplied by distributors to disc jockeys or stations, no announcement is necessary unless the distributors "furnished more copies of a particular recording than are needed for broadcast purposes." (2) When an announcer gets an automobile for his own use in return for on-the-air mention of the product, announcement is required. (3) When a manufacturer furnishes a grand piano for a TV concert program, no announcement is necessary, unless cameras are focused on the piano's brand insignia instead of the pianist's hands.

President Eisenhower will salute North & South American broadcasters in a taped statement that is being distributed to NAB members for use on Continental Broadcasting Day Oct. 4. Tapes also have been sent to the Canadian Assn. of Broadcasters and Inter-American Assn. of Broadcasters.

Sharp reductions in video-tape rates by WGR-TV Buffalo are shown in its Video-Tape Rate Card No. 2. Examples: (1) Rate per 30 min. of studio use has been cut from \$200 to \$50. (2) New rates for off-air taping start at \$25 for 5 min. or less.

New Radio Code plaques designed for display in station lobbies & reception rooms have been mailed by NAB to more than 600 subscribers. Distribution is part of NAB's stepped-up promotion of radio self-regulation (Vol. 16:36).

WCAU-TV Philadelphia aired the city's first TV editorial Sept. 8, discussing the Transport Workers' Union strike against the Pennsylvania R.R. John A. Schneider, CBS-TV Stations div. vp & station gen. mgr., delivered the editorial. TWU Pres. Michael J. Quill rebutted next day.

## Congress

**Monitor Fund Request Withdrawn:** Our report that the Senate appropriated an additional \$150,000 for the Commerce Freedom of Communications Subcommittee to finance TV & radio monitoring during the election campaign (Vol. 16:36 p5) was erroneous. The housekeeping resolution (S. Res. 374) authorizing the extra funds for the Subcommittee's equal-time "watchdog" work didn't come to a vote on the Senate floor. It was withdrawn by Chmn. Yarborough (D-Tex.) just before the Senate adjourned at 11:52 p.m. Sept. 1 (after our Labor Day issue had gone to press) following prolonged floor argument. We confused the "watchdog" resolution with another Commerce Committee housekeeping resolution (S. Res. 354), appropriating \$11,525 more for other investigative work, which was approved routinely by the Senate Aug. 31 in the adjournment rush.

Yarborough & Commerce Chmn. Magnuson (D-Wash.) tried hard to push the "watchdog" appropriation through before the adjournment deadline overtook them. But they finally gave up in the face of bi-partisan objections. Opposition to S. Res. 374 was spearheaded by Sen. Ellender (D-La.) who protested that Yarborough's monitoring operation would be a waste of money. Others who took the floor against S. Res. 374 included 2 Commerce Committee members—Sens. Thurmond (D-S.C.) & Lausche (D-O)—and Minority Leader Dirksen (R-Ill.). They argued that it was FCC's responsibility to enforce equal-time Sec. 315 of the Communications Act.

Withdrawal of the "watchdog" resolution left the Yarborough Subcommittee with a budget of only \$35,000 and 2 investigators—Joe Bailey Humphreys & Walter Boehm—to carry out its Sec. 315 assignment this year (Vol. 16:25 p5). They'll have no money for field checks on equal-time complaints (which Yarborough said already are flowing in) and must count on candidates supplying them with kines & tapes of protested political programs.

Yarborough also called on the public for volunteer help. In a brief statement, he asked viewers & listeners "to monitor programs across the nation and report any unfairness to the Committee," acting as "the jury demanding fair play."

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NBC-TV's Sacco-Vanzetti special in June has "been used by some as left-wing propaganda," according to Sen. Bridges (R-N.H.). He cited no specific examples, but said in a post-adjournment *Congressional Record* statement that the network was guilty of "historical distortion" in its "utterly biased" 2-part dramatization of the famed case. Bridges also complained that NBC-TV had refused "equal time" to Boston attorney Robert H. Montgomery, author of a book (*Sacco-Vanzetti: The Murder & the Myth*) defending prosecution of the case. Bridges quoted a letter from Montgomery protesting that he was given a runaround by the network after he had been invited to appear on the Aug. 18 *Today* show.

Federal aid to ETV should be "must" legislation in Congress, Rep. McDowell (D-Del.) told the House. Pointing to the "tremendous support which the federal govt. has given to American railroads, to the airlines, and to shipping & highway transportation," McDowell said: "Certainly, educational TV is equally deserving & is equally important to the welfare of the people of this great nation." He promised to press for enactment of ETV legislation which was killed by the House Rules Committee in May (Vol. 16:20 p5).

Last TV-radio bill in the 86th Congress, filed just before adjournment, would make it illegal for stations to censor programs they accept for broadcasts. Submitted by Rep. Multer (D-N.Y.), the measure (HR-13261) amends the Communications Act to ban "unauthorized deletions from certain matters submitted for broadcasting." Multer drafted the bill as the result of cuts made by WTIC-TV Hartford in a 15-min. documentary film, "The Work of My Hands," which was sponsored on the station by the Commission on Social Action of Reformed Judaism. WTIC-TV deleted sequences dealing with world hunger and capital punishment as "too stark" & "too controversial," according to the Commission on Social Action. The film was produced by Allend'or Productions primarily for synagogues.

*Survey of Congressmen by TV Guide* indicates that 29% plan to use more TV in their next campaign, 63% will use the same amount and only 8% will use less. Among those running for re-election, an impressive 92% will increase their use of TV. Aside from personal appearances, more legislators named TV as the medium which aroused most public reaction during the last campaign. Asked which types of TV programs were most valuable to them, 45% said interview. Speech got 32%; panel 17%; debate 6%. Their preferences in program length showed the largest group, 42%, voting for 5 minutes; 10- & 20-sec. spots got 27%; 15 min. 23%; and 30 min. 8%. On a list of Republicans, Nixon was overwhelmingly chosen as the "most professional" TV performer, getting 68%. Kennedy led the Democratic list, but tallied only 39%.

"Radio Free Cuba" to counter anti-American propaganda of the Castro govt. would be set up in a privately-financed venture under a proposal by Rep. Pucinski (D-Ill.). He urged that "powerful radio transmitters" be built on an offshore island between Miami & Cuba to "beam the truth about Castro & his Communist advisors to the people of the island republic." Pucinski said he's "confident American industry, the American labor movement and the American people will help make this a successful venture."

House & Senate have approved (Aug. 30) technical corrections in the continuity-of-agency-service legislation (S-1965) which had been enacted in July (Vol. 16:36). Errors in the language of the bill, committed by Rep. Harris's (D-Ark.) Commerce Committee—when it reported the bill to extend the tenures of FCC, FPC and SEC members until successors can be approved—were corrected.

Boycott of Khrushchev by networks when he comes to N.Y. for UN General Assembly has been urged by House Judiciary Committee Chmn. Cellar (D-N.Y.). He said TV & radio facilities should be denied the Communist boss except for regularly-scheduled broadcasts of UN meetings.

## Technology

Electronic skytracks, along which airliners are controlled by ground batteries of radar, radio and computer equipment, will be operating by 1970, according to RCA Pres. John L. Burns. In a speech at the annual banquet of the Canadian International Air Show in Toronto, he said pilots still will have things to do in the air. But predicted Burns: "Within the decade, advanced electronic equipment will make air travel less dependent on the weather and automated from takeoff to landing."

Latest technical book on TV tape: *Video Tape Recording*, covering mechanics & electronics of both Ampex & RCA machines, by Julian Bernstein, instructor at RCA Institutes, N.Y. (Rider, 272 pp., \$8.95).

## The FCC

Technical changes in FCC's TV & FM rules have been proposed to: "(1) Clarify the specifications for the frequency response in the vicinity of the color pass band. (2) Permit FM & TV stations to determine operating power of aural transmitters by direct measurement or the presently prescribed indirect method. (3) Relax requirements relating to operation with reduced power to the extent that the Commission need only be notified if the required minimum operating schedule cannot be maintained with authorized power and provided the period of reduced power operation is 10 days or less. And (4) modify the wording in Sec. 3.689(a)(1) which specifies the transmitter modulation to be employed when determining the operating power of the visual transmitter by abolishing reference to 'standard black TV picture' and substituting language which specifies the form & amplitude of the modulating signal."

Equal-time suit challenging Constitutionality of suspension of the Communications Act's Sec. 315 for Presidential tickets (Vol. 16:35 p1) has been filed in U.S. District Court, Washington, by one-man-party candidate Andrew J. Easter. He said that the Congressional resolution lifting equal-time broadcast requirements suspended the intent of the Constitution to permit the public to be fully informed on public issues. Named as defendants were FCC Chmn. Ford, Vice President Nixon, Sen. Kennedy, House Speaker Rayburn (D-Tex.)—and for good measure, NBC Pres. Robert E. Kintner, *Time* and the *Washington Star*. In May, Easter testified before the Senate Commerce Communications Subcommittee in opposition to proposals that TV networks be required to donate prime time for debates by major Presidential candidates (Vol. 16:21 p2).

Foreign TV-radio relations are the diplomatic responsibility of the State Dept. & FCC and shouldn't be negotiated directly by U.S. licensees, the Commission warned in a public notice. Naming no names of broadcasters or countries, FCC cited instances in which "licensees or applicants occasionally have attempted to deal directly with the foreign licensees or foreign govts. concerned, in an effort to secure favorable consideration of their cause, or otherwise influence the course of negotiations between govts." FCC pointed out that such "unauthorized negotiations involve the risk of violating U.S. laws which prohibit certain types of 'correspondence or intercourse' with foreign govts."

Ownership of vhf & uhf stations in the same city by one owner—as a boon to uhf—is likely to be approved by FCC. WEAU-TV (Ch. 13) Eau Claire, Wis. had petitioned for waiver of the "duopoly" rules to permit it to use Ch. 25 (Vol. 16:13 p5), and the Commission had been inclined to reject the request until recently. Now, it's understood, FCC is strongly considering granting the proposal—may do so this week.

RKO-Zenith Hartford pay-TV test will be subject of a 3-day FCC hearing before the 7 Commissioners sitting *en bane*—instead of a long, full-scale evidentiary hearing sought by theater groups (Vol. 16:39 p16). That's the present inclination of the Commission, and it's expected to rule that way this week or next.

Updated equal-time guide for TV & radio stations was issued Sept. 8 by FCC as Public Notice 92294, available to all licensees. The *Supplement to Use of Broadcast Facilities by Candidates for Public Office* covers revisions of the Communications Act's Sec. 315 and new Commission interpretations since Oct. 1958 (Vol. 14:41 p10).

## Advertising

**Advice from 4A:** Following its traditional practice of avoiding media squabbles, but freely offering "suggestions" to ad media which may improve the industry, American Assn. of Advertising Agencies last week sent to TV & radio broadcasters and station reps a pair of booklets. They were entitled *Suggestions for the Advance of National Spot Television [Radio] Advertising*, "recommended by the Committee on Broadcast Media and approved by the Board of Directors, AAAA."

The suggestions are intended by 4A to help TV-radio media "increase their volume of advertising by making it more productive & easier to handle." One suggestion, new this year, recommends adherence to standards of practice—general copy codes, NAB codes, and other codes of ad ethics. Other suggestions concern presentation of information, operations, relations with ad agencies and terms. Information is provided on such topics as marketing, audiences, rate cards and acceptability of research.

Copies of the booklets may be obtained from 4A, 420 Lexington Ave., N.Y. 17.

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Support for Station Reps Assn. plan to promote single rates for TV-radio stations is coming from "several" leading advertisers & their agencies, we're told by SRA managing dir. Lawrence Webb. Because most of the support is off-the-record, Webb declined to cite specific examples. Letters from stations continue to run heavily in favor of a switch from multiple rates to a single-rate pricing structure (Vol. 16:36 p8), said Webb.

Ad agencies profit rise of 4.27% in 1959 (3.23% last year) has been reported by the 4As. This reverses the downward trend, according to 4A's study of 240 agencies. "Profits are still too low," Pres. Frederic R. Gamble reported. "There is a great deal of work to be done to bring them to a point where our industry is really healthy from a profits standpoint."

Multi-million-dollar campaign is set to introduce "Commander," Philip Morris's new king-size, non-filter cigaret. Heavy spending for network TV (*Dobie Gillis, Route 66, Rawhide, Douglas Edwards and Perry Mason*) and in TV-radio spot will launch the campaign Sept. 15, along with extensive print media ads. The new brand competes directly with top-selling Pall Mall.

Anti-advertising campaign is brewing in Washington, warned Compton agency Pres. Barton A. Cummings last week, and it is time for the ad industry to get "a little tough" about it. He told a regional conference of National Business Publications Inc. that a drumfire of election-year criticism aimed at advertising by political leaders, university professors, et al. "has been going on for too long. It will go on even longer unless we all do something about it."

Big slice of magazine revenue is coming from split runs & regional editions, according to a late *Advertising Age* rundown. Some large figures chalked up in this category of revenue during 1960's first half: *SatEvePost*, \$9,217,204; *Life*, \$4,711,000; *Look*, \$3,918,580; *Farm Journal*, \$2,216,663; *TV Guide*, \$2,027,523; *Reader's Digest*, \$1,805,020. The report listed 14 other national magazines whose regional revenue amounted to \$1 million or less.

FTC Chmn. Earl W. Kintner was scheduled to talk about advertising's problems with govt. regulation this week (Sept. 12) in a luncheon speech to the American Legion's admen's post at the Hotel Lexington, N.Y.

**"Point-Five" Hassle:** Two major research firms—A. C. Nielsen and American Research Bureau—all but challenged each other to slide-rules-at-dawn last week over a rounded-out percentage point. The storm blew up along Madison Ave. when ARB pointed proudly to a U.S. TV saturation figure for May 1960 of 88% released by the Census Bureau (Vol. 16:36 p8), pointing out that it confirmed exactly ARB's national estimates (Vol. 16:25, Supplement) for early June 1960.

Nonsense, said A. C. Nielsen Co., and cited a follow-up release by the Advertising Research Foundation to the census story which showed May set saturation actually to be 87.5%. Explained Nielsen: The Census Bureau, (which had made the study for ARF) had merely rounded off the figures to 88%. What's more, the official Nielsen figure on set saturation for May was—you guessed it—87.5%. If anything, said Nielsen, the census checkup for ARF proved that Nielsen, not ARB, was right.

The ARF report, meanwhile, threw some additional light on the size & scope of TV in the U.S. In May, stated ARF, there was a whopping total of 46,199,000 U.S. TV households, representing a growth of more than 14 million TV homes since June 1955. Of the TV households, 5,793,000—or slightly more than 12.5%—were multi-set TV homes. And this same group of homes was "more than the total number of TV households reported in the 1950 U.S. census." (Full copies of the ARF report, which includes more data than the Census report, are available for \$5 from ARF, 3 East 54th St., N.Y. 22.)

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**Ad People:** Mort Werner, Young & Rubicam vp & TV-radio dept. dir., appointed a senior vp . . . John N. Calley elected a Ted Bates vp . . . Richard H. Hurley and Harold V. Rover named Compton vps . . . S. Brooke White, William W. Suitt and Daniel C. Ellis named Lennen & Newell vps.

### Obituary

Vincent Riggio, 82, former pres. & chmn. of the American Tobacco Co., died Sept. 6 in Northern Westchester Hospital, Mount Kisco, N.Y. Riggio, a Sicilian emigrant, left his recently opened barber shop in 1905 to go into the tobacco business. By 1947 he was listed among the 10 highest paid corporate executives in the country. American Tobacco was the first cigaret company to buy network radio, and was, by the late 1930's, radio's biggest sponsor (*Lucky Strike Hit Parade*, *Kay Kayser's Kollege of Musical Knowledge*, and the old Lucky Strike tobacco auctioneers). Riggio is survived by his wife, daughter, 2 sons.

Frederick A. Kugel, 45, editor & publisher of *Television* magazine, died Sept. 7 of a heart ailment in Southside Hospital, Bay Shore, N.Y. He founded *Television* in 1944 as one of the first trade publications in the field and was founder & chairman of the U.S. Broadcasters Committee on World Affairs. He leaves a wife and 2 daughters.

Jack D. Tarcher, 64, Doyle Dane Bernbach vp, died Sept. 6 at his home in N.Y. after a long illness. He was formerly a Lennen & Newell vp, and earlier had headed his own agency, J. D. Tarcher & Co. Surviving are his wife, 2 daughters, a son and 3 grandchildren.

George E. Simons, 52, Benton & Bowles vp, died Sept. 5 of cancer in N.Y. Hospital. He was formerly ad mgr. for GE major appliances, later for Crosley electrical appliance div. of Avco. He was also a former Kenyon & Eckhardt vp. Surviving are his wife, mother and a brother.

## Television Digest

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**Personals:** Walter D. Scott, NBC-TV exec. vp, and P. A. (Buddy) Sugg, owned stations & Spot Sales exec. vp, elected NBC dirs. . . . Ray A. Klinge named program dir., KVOO-TV Tulsa, Okla., succeeding Bill Sadler . . . Joseph L. Floyd renamed NAB TV film committee chmn.

Neal K. McNaughten named Ampex staff vp and mktg. activities consultant for Ampex Professional Products Co., Ampex Audio Co. and Ampex International. Leonard E. Good promoted from Ampex Corp. corporate staff dir. of operations services to succeed McNaughten as mgr. of Ampex Professional Products Co. Harold S. Salzman, ex-AT&T long lines, named Professional Products mktg. mgr.

Claire Horn, ex-WBC, named WOR-TV & WOR sales development mgr. . . . Richard P. Hogue resigns as KXTV Sacramento vp & gen. mgr.; Robert Salk, of Corinthian Stations' staff, assumes duties temporarily . . . Robert Mochrie, MGM gen. sales mgr., appointed a vp.

Willard A. Michaels of Storer's WJBK-TV Detroit appointed NAB Video Tape Usage Committee chmn., succeeding Harold P. See of KRON-TV San Francisco; Eugene S. Thomas, vp-gen. mgr. of KETV Omaha, named NAB Community Antenna Committee chmn.

Jim English, ex-production mgr., replaces Wes Potter as program dir. WPSD-TV Paducah, Ky.; Bob Swisher named production mgr. . . . Alan Y. Naftalin advances to membership, Koteen & Burt, Washington TV-radio law firm.

Laurence A. Tisch named Loew's Theatres chmn. & chief exec. officer, succeeding Leopold Friedman, who continues as a dir. Eugene Picker remains pres., but is no longer chief executive officer . . . Thomas J. Welsh, Ever-sharp exec. vp & dir., named a Technicolor dir., succeeding Dr. Herbert T. Kalmus, retired.

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Leonard Bernstein: "Wherever we [N.Y. Philharmonic Orchestra] have gone, the excitement and the turnouts have been incredible. We have broken every record in every city—double, triple, sometimes quadruple . . . I suppose I sound boastful. I don't mean to. It's just an example of the astounding power of television."

Federal grand jury probe of alleged monopoly in the handling & sale of Sunday newspaper supplements by 7 firms (Vol. 16:29 p12) was adjourned from Sept. 8 to Sept. 26 in Buffalo's district court.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**RCA PROPOSES OWN FM STEREO SYSTEM:** Without any fanfare, RCA has proposed a set of FM stereo broadcast multiplex standards to FCC. Although its system resembles some of those analyzed & field-tested by EIA's National Stereo Radio Committee (see story below), it differs in some major respects.

RCA's proposal, not submitted to or considered by NSRC—of which RCA isn't a member—still will be weighed by FCC. It was filed as follow-up to RCA's lengthy analysis last spring of all proposed methods of getting FM stereo (Vol. 16:12 p6).

Its system uses frequency-modulated subcarrier for stereo channel, similar to Crosby, Halstead & Calbest systems. It provides for space for 2 subsidiary communications channels—for storecasting, NBC's proposed "doctorcasting," etc.—in addition to stereo information channel. This means that an FM station could broadcast stereo & monophonic programming and at same time carry 2 additional multiplex programs for special private customers.

One big point of difference between RCA & other proposed systems: Stereo multiplex channel would be at top end of FM channel—65.5 kc. This may cause howl from those functional music FM broadcasters now using that frequency for their specialized service.

Since nearly all major set makers have already designed receivers around the 6 systems being considered by NSRC—and because of the great engineering interest in all FM stereo multiplex proposals—we are printing the basic specifications of the RCA proposal on opposite page.

**FM STEREO RACE IN HOME STRETCH:** FCC staffers are optimistic that final set of FM stereo broadcast standards can be adopted by year's end. This will signal start of production of stereo sets & converters—introducing to market a new type of radio.

Top industry engineers in NSRC this week begin evaluation of results of recent field tests conducted via Pittsburgh's KDKA-FM (Vol. 16:28 p14). They're due to be filed with FCC by Oct. 28. Then there'll be another 10 days for replies, followed by FCC staff work & Commission consideration. There could be further delays—as we've pointed out before—but FCC is giving matter high-priority tag. Commission sources say they don't expect RCA's new proposal (see above) to delay establishment of standards.

In preparation for starting gun, most major set manufacturers have designed sets to receive each system—although it's highly possible that final standards will be "hybrid," a combination of best features of several systems.

Five of the proposed systems provided "good stereo" at NSRC's field-test sites, on basis of subjective observations by those present. The systems are basically divided into 3 classifications: (1) FM with FM subcarrier (Crosby, Halstead & Calbest systems). (2) FM with AM subcarrier (GE & Zenith). (3) EMI (Percival) system. All systems except Crosby permit simultaneous use of other multiplex channels (functional music, etc.) in addition to stereo.

Each system has strong appeal—including the one system which is virtually certain to be rejected. On basis of many conversations with industry engineers, here's how we rate them:

Crosby system—the hi-fi enthusiast's dream.

GE & Zenith systems—the set maker's dream.

EMI system—the engineer's dream.

All systems except Crosby—the FM broadcaster's dream.

If EMI is the engineer's dream system, it's still going back to sleep for a while. This ingenious British stereo broadcasting method apparently failed to provide satisfactory stereo sound, despite its many advantages (ease of networking stereo programs, economy of spectrum space).

Crosby system was said to provide best frequency response and signal-to-noise ratio—the highest fi. Its one big disadvantage, from broadcaster's standpoint, is that it permits use of only one subcarrier, precluding simultaneous transmission of stereo radio and such subsidiary services as storecast background music.

Systems using AM subcarrier (GE, Zenith) appeal to set makers because of simplicity of circuitry. Not including the separate audio channel, a stereo receiver for one of these systems would require only one tube more than conventional monophonic FM set. With Crosby system, differential would be 3 tubes. Resulting price difference for adding stereo would be about 3 to 1 between most expensive & cheapest system.

Problem for FCC is tough one—tougher than for NSRC, which isn't pledged to recommend, but just to give the facts. So far as we can determine, no single system has emerged so markedly superior that its choice is inevitable.

To most manufacturers—dream systems aside—important question is not so much which standards are adopted, but when. They feel that all 5 systems still being considered are highly satisfactory—and they want to get the show on the road.

#### **TV-RADIO PRODUCTION:** EIA statistics for week ended Sept. 2 (35th week of 1960):

	Aug. 26-Sept. 2	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV .....	125,850	124,362	141,550	3,808,138	3,819,081
Total radio .....	314,846	281,923	369,035	10,761,029	9,314,866
auto radio .....	105,140	95,567	125,087	4,098,748	3,559,379

#### **More about**

**RCA FM STEREO PROPOSAL:** The standards for FM stereo worked out by RCA (see p. 14) were designed for "simplicity, low cost and satisfactory performance in FM receivers," RCA stated in its comments to FCC.

RCA is particularly anxious that a system be proposed which won't blot out existing FM multiplex services, such as functional music. Said RCA:

"It is possible that initially, at least, an FM station may secure little if any additional revenue from stereophonic transmissions, and it may have to rely on various services permitted by the Commission under Subsidiary Communications Authorizations (SCA) to improve its financial position. Under the specifications which we are recommending, consideration is given to the importance of both the stereophonic and SCA services."

"The system parameters are selected so as to provide good signal-to-noise ratios for each of the 3 FM subchannels. The uppermost & widest of these . . . is allotted to stereophonic programming, and in addition frequency space is provided for SCA channels. Thus, for example, 2 SCA channels of good quality is one possible arrangement within the frequency space available for SCA services, although the matter of the arrangement of such channels & their number should be optional, we believe, with the FM broadcaster." RCA also suggested that broadcasters be permitted to use the stereo subchannel for SCA services.

Here are the parameters of RCA's proposed FM stereo multiplex standards:

Subchannel modulation method (L-R)—FM

Stereo subchannel carrier—65.5 kc

Stereo subchannel frequency deviation—±9.5 kc

Stereo subchannel modulation band—30-9,500 cps

Stereo subchannel pre-emphasis—75 microseconds

Stereo subchannel modulation of the main carrier—30% ( $\pm 22.5$  kc)

Main channel modulation of main carrier

Main channel modulation = [100% ( $\pm 75$  kc)]—[the sum of subchannels modulation of the main carrier]

Sum of subchannels modulation not to exceed 50% ( $\pm 37.5$  kc)

**Sylvania Drop-Ins:** "Modular concept" of TV-radio-phono combination, reminiscent of TV's early days, was offered last week in modern dress by Sylvania. The basic unit is a stereo-phono console at \$259.95 & \$269.95—which can be expanded into a complete home-entertainment center. It includes a separate stereo extension speaker enclosure which may be placed on a shelf built onto the console or the speaker may be located up to 12 ft. away.

A Sylvania 19- or 23-in. table model TV set may be placed on the shelf for conversion to a TV-phono combination, and an AM-FM simulcast tuner (at \$99.95) may be dropped into the phono console.

Sylvania also introduced its first 19-in. portables—the industry's first portables with bonded reflection-free (treated) safety glass. Thin units are \$199.95 & \$219.95.

Completing its drop-ins are 2 shirt-pocket 6-transistor radios at \$26.95 & \$29.95.

\* \* \*

Motorola drops in 3 new radios: (1) "Subminiature" portable, smaller than a cigaret pack, in ivory case designed to complement ladies' jeweled accessories, at \$29.95. The 6-transistor set was made in Japan to Motorola design. (2) "High performance" 7-tube AM set with 6-in. speaker, designed for difficult reception areas, at \$39.95. (3) Similar set, 6 tubes, \$34.95.

FM-AM clock radio at \$89.95—with 4x6-in. speaker and AFC—increases Zenith's line of FM table sets to 8 basic models. Zenith said its unit sales of FM table & portable sets to dealers during 1960's first half were 70% ahead of the same 1959 period.

New Westinghouse promotion idea features 1960-61 TV sets & stereo equipment showcased in 20 original designer settings at the N.Y. National Design Center. Westinghouse officials label the one-month exhibit "a new concept in marketing, with sets styled to fit the room designs."

**TV-RADIO OUTPUT & SALES:** Retail sales of TV receivers passed the 3-million mark in July, according to official EIA figures released last week. The retail sales of 392,858 in July were 6% higher than those of July 1959, while the 7-month cumulative sales figure was about 12% ahead of the comparable 1959 figure.

July being the traditional vacation month for the TV-radio industry, production was down sharply. In TV, it was considerably less than the output of July 1959, providing—in effect—an inventory adjustment. The TV inventory situation, in fact, looked quite good at the end of 7 months. While year-to-date retail sales were nearly 400,000 units ahead of 1959, total production was less than 100,000 units higher.

Radio sales for July were 9% higher than July 1959, with FM radio sales (excluding radio-phono combinations) for the 7-month period more than double those of the same 1959 period. Here are EIA's figures & 1959 comparisons:

#### TELEVISION

Month	Total Production		UHF Production		Retail Sales	
	1960	1959	1960	1959	1960	1959
January ....	526,494	437,026	50,119	35,841	590,867	501,704
February ....	503,453	459,492	43,537	34,678	507,673	448,173
March .....	508,500	494,032	45,411	32,112	501,829	425,751
April .....	422,551	389,251	39,240	20,501	351,214	263,998
May .....	442,176	431,911	32,295	28,247	334,283	279,536
June .....	518,870	571,004	34,245	29,064	371,661	344,795
July .....	268,854	350,360	14,621	21,022	392,858	370,575
<b>TOTAL ..</b>	<b>3,231,898</b>	<b>3,133,075</b>	<b>259,468</b>	<b>201,465</b>	<b>3,050,385</b>	<b>2,634,532</b>

#### RADIO

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January ....	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February ....	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March .....	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April .....	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May .....	1,277,040	1,039,362	463,165	476,222	548,322	400,882
June .....	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July .....	890,359	829,035	328,009	254,725	392,858	370,575
<b>TOTAL ..</b>	<b>9,414,879</b>	<b>7,936,621</b>	<b>3,651,101</b>	<b>3,154,921</b>	<b>4,451,721</b>	<b>3,685,708</b>

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553). Seven-month total: 492,242 (247,976).

\* \* \*

Canadian TV sales to dealers continued to run well below 1959 in July, according to EIA of Canada. For the year's first 7 months, sales totaled 156,064 (vs. 191,447 in 1959), July sales totaling 19,664 (vs. 27,066 in July 1959). July sales by cabinet type (vs. July 1959 in parentheses): Portables, 4,474 (4,205); table models, 3,341 (5,801); consoles, 11,037 (16,184); combinations, 812 (876).

\* \* \*

TV picture-tube & receiving-tube sales at the factory level dropped in July from July 1959. In year-to-date totals, picture-tube output was still ahead of 1959, while receiving-tube totals continued to run considerably behind last year. Factory sales of picture tubes in July totaled 681,785 units at \$13,898,468 (vs. 750,352 at \$14,648,444 in July 1959), while receiving-tube sales totaled 34,883,000 at \$28,810,000 (vs. 36,394,000 at \$29,786,000). The month-by-month figures, from EIA:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	795,250	\$15,831,430	31,367,000	\$26,872,000
February .....	741,233	14,495,480	32,734,000	27,881,000
March .....	794,375	15,654,281	36,382,000	31,751,000
April .....	707,252	13,782,769	29,737,000	25,759,000
May .....	659,859	13,329,826	30,354,000	25,580,000
June .....	756,827	15,505,481	33,916,000	29,065,000
July .....	681,785	13,898,468	34,883,000	28,810,000
Jan.-July 1960 .....	5,136,581	\$102,497,735	229,373,000	\$195,718,000
Jan.-July 1959 .....	5,120,887	98,904,723	238,373,000	205,560,000

**Jerrold into Hi-Fi Business:** The proposed merger of Jerrold Electronics and Harman-Kardon Inc. would put the Philadelphia manufacturer of community antenna & distribution equipment more squarely in consumer electronics.

Harman-Kardon, Westbury, N.Y., is a manufacturer of component hi-fi systems & do-it-yourself hi-fi kits. It has a data-systems div. which designs & manufactures miniaturized logic modules for computers. Under the consolidation approved by the directors of the 2 companies, Harman-Kardon shareholders would receive one share of Jerrold for each 1.8 shares held. Jerrold has about 1.7 million common shares outstanding, Harman-Kardon about 463,000. For the fiscal year ended Feb. 29, 1960, Jerrold's net earnings were \$810,251 on sales of \$8,416,750. Harman-Kardon's data for the fiscal year ended June 30, 1960 isn't yet available, but sales are estimated at \$3.5 million, down from fiscal 1959 when sales were \$3.8 million and net income \$150,124.

\* \* \*

In other merger news last week:

(1) Stockholders of Lynch Corp., manufacturer of glass & packaging equipment, approved the acquisition of Symphonic Electronic Corp., N.Y. TV & phono manufacturer (Vol. 16:23 p19), for a maximum of 185,411 shares of Lynch common stock, worth about \$2.5 million. Principal sellers are Symphonic Pres. Max J. Zimmer, treas. Howard A. Jacobs & Chmn. Bernard H. Lippin, who own 99% of Symphonic's stock. The 3 Symphonic officers were elected to the Lynch board and will continue in their present executive posts.

Lippin and Lynch Chmn.-Pres. Will Freeman announced after the meeting that sales of the merged firms are now at an annual rate of \$30 million. Lynch's sales last year totaled \$7.3 million, its earnings \$189,614 (40¢ a share); Symphonic earned \$241,034 (\$1.30) on \$18.5 million sales in the year ended Jan. 31, 1960.

(2) Blonder-Tongue Labs, manufacturer of master TV and community antenna equipment, has acquired controlling interest in Benco TV Associates Ltd., said to be the largest Canadian firm in the master antenna field.

New plants & expansions: Japan's Sony Corp. will complete by March 1961 a 308,000-sq.-ft. electronic research lab in Yokohama. The facility will be devoted to research & development in new-for-Sony electronics fields. • GE is constructing at DeWitt, N.Y., near Syracuse, a new hq building for its TV-radio div. It's slated for early-Oct. completion. • RCA is erecting at Cherry Hill, N.J. a 2-story, 70,000-sq.-ft. center for training engineers, technicians, programmers and other personnel in data-processing techniques. The building will be completed around year's end. RCA also will establish its 4th data-processing center this fall, to serve the Chicago business community. (The other 3 are in N.Y., Cherry Hill, Washington, D.C.) The Chicago center will be in the Morton Salt Bldg. • Perkin-Elmer will expand its facilities by 40% with the construction of a new plant at Wilton, Conn. The new facility is slated for mid-1961 occupancy and will house the engineering and advanced R&D groups of the concern's electro-optical div. • Zenith subsidiary Central Electronics Inc. will build a 100,000-sq.-ft. plant in Paris, Ill., to employ 500, for production of radios & components.

Space-Tone Electronics Corp., Washington, will produce stereo hi-fi phono consoles at its new plant near Suitland, Md. Space-Tone Pres. Philip Connor said first units should come off the assembly line by Dec. 15 for sale in Washington area by subsidiary American Music Guild Inc.

**Problem of Japanese imports** again occupies a top spot on the agenda of EIA's fall conference Sept. 13-16 at French Lick, Ind. Sept. 14 presentation on the effects of Japanese competition will be made by Mark Shepherd Jr., Texas Instruments, for the electronic imports committee. Other highlights: (1) EIA board will review "trends & outlook for electronics in national defense and a proposal of the General Accounting Office that [govt.] purchasing of all electronic equipment & parts be handled by a single agency." (2) Address on "What Education Will Expect from the Electronics Industry in the Next Decade" by Dr. Philip Lewis, director of the Bureau of Instructional Materials, Chicago school system, author of the forthcoming EIA-sponsored *Educational TV Guidebook*. (3) Review of legislation enacted by the 86th Congress and of the current minimum-wage proceedings. (4) New industrial parts marketing committee, headed by Wilfred L. Larson, Switchcraft Inc., will hold its initial meeting preparatory to instituting a study on all aspects of the marketing of industrial electronic components.

Tariff negotiations leading to reduction of import duties on electronic products were opposed by EIA in a statement filed with the govt. last week by exec. vp James D. Secrest. The filing supplemented an EIA brief of last June opposing the inclusion of "TV tubes" and germanium diodes for negotiation at the conference of the General Agreement on Tariffs & Trade (GATT) at Geneva this fall. Since then, Secrest said, EIA learned that part of the original govt. proposal apparently was intended to apply to a wide range of electronic products. He protested that the wording of the notice is "so vague & uncertain that it has been impossible [to] comment intelligently and make specific recommendations."

Expanded export markets for consumer-electronic products are opening up in at least 15 countries, the Commerce Dept.'s Bureau of Foreign Commerce reports. The BFC's "good prospects" list includes: Burma, TV receivers. Chile, radio components. France, receiving & amplifying tubes. Iran, "inexpensive" TV & radio sets. Italy, sound recorders. Kuwait, TV & radio sets. Mexico, TV components. New Zealand, TV components. Norway, unassembled TV sets. Portugal, radio sets & equipment. Pakistan, radio sets. Saudi Arabia, TV sets. Sudan, battery-operated radios. Sweden, "electronic items of all types." Uganda, radio sets. Details about the markets are available from Commerce Dept. field offices or BFC offices, Washington.

Export control violations in trans-shipments of electronic & other products are charged to James L. Fitzgerald Co. Inc., N.Y. and Wassmer & Cie., Zurich, in govt. orders denying them license privileges. The Commerce Dept.'s Foreign Commerce Bureau said that 1957 transactions involving the 2 companies included 50 transistors which were sent "to an unauthorized destination"—presumably in a Communist country.

Public-spirited "Gift of Hearing Scholarship Contest" is being sponsored by Zenith to stimulate interest in the problem of deafness in children. In the name of each of the 25 weekly winners, Zenith will present \$500 scholarship grants for pre-school training of deaf children, plus a \$2,500 grand prize scholarship. Winning entrants will receive 200 prizes, including a grand-prize trip to Europe, Zenith TVs & radios, etc.

Garbage disposers bearing Philco brand-name will be made under contract by In-Sink-Erator Mfg. Co., Racine, Wis., which also makes Kelvinator-label disposers.

**Trade Personals:** W. Walter (Wally) Watts, RCA group exec. vp who was recently named chmn. & pres. of RCA Sales Corp. (Vol. 16:34 p16), elected to board of parent RCA, filling vacancy created by retirement of Dr. Charles B. Jolliffe last Dec. . . . Howard W. Hibshman, ex-Magnavox mkt. development mgr. and onetime Hotpoint TV receiver mktg. mgr., named Stromberg-Carlson consumer products sales mgr. . . . Charles R. Lunney, ex-Sylvania Home Electronics ad & sales promotion mgr., named to same post in GE TV receiver dept.

Boyd W. Granger, ex-Philco, appointed International Resistance mktg. research mgr. . . . Robert S. Klonfas, ex-DuMont Labs, rejoins Thomas Electronics as industrial & military tube div. sales mgr. . . . Irving Breholdt named engineering vp, Pentron Electronics Corp. . . . William E. Bratton named pres. of GPE subsidiary Librascope.

Rear Adm. H. C. Bruton (USN ret.) named vp of planning for military products div. of Hoffman Electronics . . . Stanley W. Cochran, RCA surface communications div. gen. mgr., named also div. vp; Irving K. Kessler, Airborne Systems div. gen. mgr., named div. vp—both divs. in RCA defense electronics products. Edwin A. Speakman named div. vp, missile range programs, RCA Service Co. govt. services dept. . . . John Buchholz named vp, Amphenol connector div., and gen. mgr., Amphenol-Central connector div. . . . Norman Wicks named PR & ad dir., General Precision Equipment Corp., and subsidiary General Precision.

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Hi-Glo Electronics Corp., Goodrich, Mich., and its sales agent Sylvan Electronics Corp. have denied FTC charges that they misrepresented rebuilt TV picture tubes as new. They conceded that invoices, cartons and tubes themselves weren't marked to indicate that the tubes contained used parts, but contended that distributors were aware they were rebuilt. Hi-Glo & Sylvan denied "having any control over the dealers who mislead or deceive the public."

Liberty Electronics Inc., Union, N.J., has been cited by FTC for alleged misrepresentation of its rebuilt TV picture-tubes as entirely new. The FTC complaint said the company falsely described its used-part product as a "brand new" & "fully guaranteed NEW tube."

United Electronics Labs Inc., Louisville correspondence training school, has signed an FTC consent order forbidding it to make false employment offers, exaggerate employment offers and otherwise deceive prospective students. Among other things, FTC had charged that starting salaries for United-trained electronic technicians were less than the \$90-\$160 weekly claimed by the school's salesmen.

Ex-RCA vp Edward F. McGrady, who died in July at the age of 88 (Vol. 16:30 p18), "was truly one of the greatest men I have ever met," House Majority Leader McCormack (D-Mass.) said in a Congressional adjournment statement. McCormack told the House that in McGrady's death "the country has lost one of its truly great citizens."

### Obituary

Wesley M. Angle, 77, president of Stromberg-Carlson from 1934 to 1945, died Sept. 3 at his home in Kennebunkport, Me. He joined the firm in 1903 as a cable machine operator after being graduated from Harvard, rising through the ranks to president. He was chairman from 1945 to 1949, when he became honorary chairman. In 1955, when Stromberg merged with General Dynamics, he became a director of the parent company. He is survived by his wife, 3 sons, a daughter and 14 grandchildren.

Realignment of semiconductor operations of General Instrument Corp., following its merger with General Transistor (Vol. 16:36 p15) results in these new posts & assignments: GT Pres.-founder Herman Fialkov becomes pres. of the company's enlarged semiconductor div., with former GI semiconductor operations chief Maurice Friedman as exec. vp. Other GI semiconductor div. posts: Kenneth C. Moritz, ex-Raytheon, becomes mktg. vp; Dr. Bernard Jacobs, ex-GT research vp, research & development vp; Jerry Fishel, ex-GT mktg. vp, sales vp; Bernard Cohen & Norman Neumann, former GT vps for N.Y. & R.I. operations, to similar GI posts; Richard Adler, national field sales mgr., from same post in GT organization.

"World's first electronic jewelry," shown to newsmen last week, turned out to be more electrical than electronic, although it uses battery & light bulb originally designed for use in subminiature electronic equipment. Designated "Marchalite," the jewelry line is composed of gold charms with tiny built-in illumination (example: Statue of Liberty with glowing torch). Demonstrated by Marchal Jewelers, N.Y., the jewelry (\$39 up) uses tiny Mallory battery and Sylvania bulb designated as "the smallest incandescent lamp ever produced on an assembly line."

RCA is marketing a custom room-divider that houses a stereo phono system and a TV set on a 180° swivel, to permit viewing from either the front or back of the divider. The unit is tentatively priced at \$800 with built-in 21-in. TV, \$575 without TV. The divider is 6½ ft. tall, 5½ ft. wide, 21 in. deep. It incorporates a 4-speed stereo record-changer, 6 speakers, record storage, a swivel kit for an optional 21- or 23-in. TV. RCA Sales Corp. sales vp R. W. Saxon said the room divider had been created as an RCA display piece for home shows, and was moved into the line when it attracted builders, dealers and home owners.

Printed-contact relay, said to make possible substantial savings in space, weight and assembly costs, was introduced last week by Executone Inc. The "Printact" relay, employing a permanent magnet in place of a spring to hold the relay armature open, is designed for mounting directly on a printed-circuit board, with the contacts making direct contact with conductors on the printed board. Executone announced the formation of a components div., which will offer Printact to other equipment manufacturers.

New stereo receiver is being launched in the components market by Crosley-Teletronics Inc., whose multiplexed FM stereo is one of the contenders for FCC approval. The receiver (model 650) is designed to function as an all-in-one stereo unit (AM-FM tuner with multiplex adaptor jack, pre-amp, twin 14-watt amplifier channels) less external speakers. Price, without cabinet: \$219.95.

Avco's Crosley div. has been renamed Avco electronics & ordnance div. Explained John Milhalic, Avco vp & div. pres.: "The Crosley div. name long has been associated with a line of consumer items which we no longer produce. Today, the division is engaged almost entirely in the design, development and production of electronics & ordnance items for the Armed Services." The change won't affect Avco's Crosley Bctg. Corp., a wholly-owned subsidiary.

Addison Industries Ltd., Canadian TV-radio manufacturer now operating in trusteeship under Part III of the Canadian Bankruptcy Act, has offered creditors a settlement of 25¢ on the dollar through trustee Clarkson Co. Ltd., Toronto. As of July 31, creditors' claims totaled \$478,670, while the company's estimated value in liquidation was \$209,500. Claims of preferred creditors plus estimated liquidation costs totaled \$58,642.

## Finance

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

**Admiral.** Joseph E. Dempsey bought 900 through Dempsey & Co., held 4,000 in Dempsey & Co., none personally.  
**Allied Artists.** Albert Zugsmith bought 5,600, held 166,300.  
**AT&T.** F. R. Kappel bought 150, held 958.  
**Arvin Industries.** Harlan Fouke sold 262, held 6,498.  
**Audio Devices.** William T. Hack bought 300, held 300. C. J. LeBel sold 1,500, held 71,914. Joseph K. McCammon sold 200, held 13,660.  
**Avco.** James R. Kerr sold 3,800, held 6,000. W. A. Mogenson sold 300, held 9,000. K. R. Wilson Jr. sold 4,000, held 11,000.  
**Beloit Instrument.** Harry D. Beloit sold 2,050 in private transaction, held 223,496.

**Cinerama.** Nicolas Reisini bought 3,850 through Rohin International Inc., held 11,150 in Robin International Inc., 350,000 personally.  
**Cohu Electronics.** Arthur G. Linkletter bought 300, sold 5,000, held 11,728. Frank Massa sold 3,000, held 53,999.

**Collins Radio.** Max W. Burrell sold 500, held 2,630.  
**Columbia Pictures.** Louis Barhano sold 100 through Fico Corp. in which 12 others have holdings, held 117,762 in Fico Corp., none personally.

**Corning Glass.** Amory Houghton Jr. bought 2,000, held 2,000 personally, 25,000 in trust, 1,230 as trustee.

**Decca Records.** Milton R. Rackmil bought 200 as co-trustee, held 11,800 as co-trustee, 1,713 personally.

**Electronics Capital.** Alfred J. Coyle sold 110 through Hayden Stone & Co., held 110 in Hayden Stone & Co., 200 personally. Neil H. Jacohy bought 200 for trust for son, held 200 in trust for son, 1,000 personally.

**Emerson.** Dorman D. Israel sold 1,000, held 2,615.  
**General Dynamics.** Rex L. Nicholson bought 10,000, sold 10,000, held none.

**GE.** John W. Belanger sold 1,000, held 18,068. James H. Goss sold 5,500, held 3,942. Francis K. McCune exercised option to buy 3,960, held 13,289. Halbert B. Miller bought 174, held 3,138. J. B. Montgomery sold 746, held none. Harold A. Olson sold 2,000, held 4,327. Robert Paxton sold 2,000, held 23,727. Charles E. Reed bought 2,645, held 3,529.

**General Precision Equipment.** Joel Dean sold 900, held 500.  
**General Telephone & Electronics.** Harold V. Bozell acquired 687 by conversion, held 4,872. Gardiner Symonds sold 1,000, held 2,000.

**Indiana General.** Henry H. Arnhold sold 5,732, held 28,000. W. G. Caples bought 400 through investment club, held 500 in investment club, none personally.

**IBM.** Charles V. Boulton sold 168, held 297. Walker G. Buckner sold 100 from foundation, held 400 in foundation, 1,631 in trusts for daughters, 2,088 personally. Herbert T. Hansford sold 458, held 1,213. T. Vincent Learson sold 100, held 996. L. H. LaMotte sold 200 and 153 more from trust, held 4,994 personally, none in trust.

**International Resistance.** Walter H. Powell exercised option to buy 1,000, held 2,120.

**Lear.** F. D. Beamer exercised option to buy 250, held 628. Roy J. Benechci bought 4,000, held 6,166. Philip E. Golds exercised option to buy 4,250, held 8,577. Andrew F. Haideck exercised option to buy 4,875, held 5,069.

**Litton Industries.** William L. Reynolds sold 100, held none.  
**Loral Electronics.** Bernard R. Garrett sold 200, held 325. Sidney Rydell sold 245, held 4,680.

**Magnavox.** T. Elwood Reeves sold 100, held 603.  
**Mircowave Associates.** Vessarios Chigas sold 1,000, held 14,000. George S. Kariotis sold 800, held 1,950. Richard M. Walker sold 100, held 37,760.

**Minnesota Mining & Mfg.** Lyle H. Fisher bought 1,700, held 7,751. Lloyd A. Hatch sold 250, held 24,281.

**National Theatres & TV.** Joe Benaron bought 100, held 31,208. B. Gerald Cantor sold 9,059 personally, 8,000 more through Cantor Fitzgerald & Co., 2,400 more through Cantor & Son, held 100,000 personally, none in Cantor Fitzgerald & Co., 2,600 in Cantor & Son. Eugene V. Klein sold 7,500, held 52,323. Jack M. Ostrow sold 2,200, held 5,303 personally, 74,025 in corporations. Laurence A. Peters sold 209, held none.

**Paramount Pictures.** V. Frank Freeman sold 2,500, held 2,700. Louis A. Novins sold 1,000, held 791.

**Pentron Electronics.** Alec K. Gianaras sold 348 personally 13,367 more through Transformer Mfrs. Inc., held none personally, 3,300 in Transformer Mfrs. Inc.

**Philips Electronics & Pharmaceutical.** M. M. Dorenbosch excrcised option to buy 1,200, sold 300, held 900.

**RCA.** Elmer Engstrom acquired 87 by conversion, held 3,472.

**Raytheon.** Percy L. Spencer sold 6,000, held 2,188.

**Reeves Soundcraft.** Dolores J. Russell sold 700, held 196.

**Texas Instruments.** F. J. Agnich sold 1,000, held 23,875. Cecil H. Green sold 500, held 285,510. Patrick E. Haggerty sold 800, held 120,225.

**Thompson Ramo Wooldridge.** Harold L. George sold 100, held 30,135. Burton F. Miller sold 500 and 700 more from trust, held 3,157 personally, 8,000 in trust. Edward P. Riley sold 650, held 1,530.

**Trans Lux.** Jacob Starr bought 800, held 55,900.

**Trav-ler Radio.** Joe Friedman bought 8,000 from trusts for children, held 265,494.

**Universal Pictures.** Preston Davis bought 200, held 309.

**Varian Associates.** Ralph W. Kane bought 158, held 3,076 personally, 1,550 in joint tenancy. Decker G. McAllister sold 200, held 25,384. Sigurd F. Varian bought 6, sold 800 from community property, held 6 personally, 74,948 in community property.

**Warner Bros.** Benjamin Kalmenson exercised option to buy 20,000, held 20,000. William T. Orr bought 5,000, held 20,800. Jack L. Warner exercised option to buy 30,000, held 255,058 personally, 1,400 in trust.

**Weehcor.** J. E. Archambault bought 500, held 2,717. John H. Ihrig bought 323, held 1,000. O. Kressmann bought 100, held 100. Robert G. Moffat bought 100, held 100. Woodrow Paradis bought 220, held 245.

**Westinghouse.** J. K. Hodnette sold 3,200, held 8,376. E. V. Huggins exercised option to buy 4,000, held 8,252. W. O. Lippman sold 1,200, held 800. George G. Main exercised option to buy 4,800, held 5,600 personally, 800 in trust. William C. Rowland exercised option to buy 3,000, held 3,516. Charles H. Weaver exercised option to buy 3,000, held 3,050.

**Zenith.** Hugh Robertson sold 500, held 7,708.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Capehart Corp.	1960—year to March 31	\$3,549,237	—	(\$398,577)	—	1,250,600
	1959—year to March 31	3,132,653	—	225,834	\$0.18	1,250,600
Collins Radio	1960—year to July 31 <sup>1</sup>	185,000,000	—	6,500,000	3.00	2,149,172
	1959—year to July 31	118,000,000	—	3,817,000	1.95	1,813,347
Electronic Assistance Corp.	1960—6 mo. to July 31	2,139,942	—	138,068	.24 <sup>2</sup>	583,764 <sup>3</sup>
	1959—6 mo. to July 31	132,592	—	(15,885)	—	583,764 <sup>3</sup>
Emerson Radio & Phono	1960—39 wks. to July 30	—	\$2,920,450	1,483,182	.70	2,118,582 <sup>4</sup>
	1959—39 wks. to Aug. 1	—	3,184,548	1,466,548	.69	2,118,582 <sup>4</sup>
Espey Mfg. & Electronics	1960—year to June 30	3,696,853	—	167,680	1.07	—
	1959—year to June 30	3,016,418	—	141,388	.91	—
Herold Radio <sup>5</sup>	1960—year to Feb. 28	8,159,464	—	(2,008,594)	—	579,852
	1959—year to Feb. 28	10,491,781	—	185,782	.33	567,984
Siegler Corp. Story below	1960—year to June 30	84,095,002 <sup>6</sup>	—	3,201,023 <sup>6</sup>	1.71	—
	1959—year to June 30	77,074,442	—	2,203,022	1.36	—

Notes: <sup>1</sup> Estimated. <sup>2</sup> After preferred dividends. <sup>3</sup> Outstanding July 31, 1960. <sup>4</sup> Outstanding July 30, 1960. <sup>5</sup> Herold has filed petition under Chapter XI of the Bankruptcy Act in U.S. District Court (Vol. 16:34 p16). <sup>6</sup> Record.

Reports & comments available: CBS, report, Walston & Co., 74 Wall St., N.Y. 5 • Taft Bestg. Co., report, Westheimer & Co., 322 Walnut St., Cincinnati • Zenith and Motorola, comments, Goodbody & Co., 115 Broadway, N.Y. • Northrop Corp., report by Burnham & Co., 15 Broad St., N.Y. 5, and discussion by Hirsch & Co., 25 Broad St., N.Y. 4 • E. J. Korvette, pamphlet analysis, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • Pacific Automation Products, study, William R. Staats & Co., 640 Spring St., Los Angeles 14 • Branson Instruments, analysis, Steiner, Rouse & Co., 19 Rector St., N.Y. 6 • Electronic Associates, report, A. C. Allyn & Co., 44 Wall St., N.Y. 5 • Cubic Corp., prospectus, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • Perkin-Elmer Corp., prospectus, Blyth & Co., 14 Wall St., N.Y. 5.

SEC hearing for N.Y. broker-dealer Re, Re & Sagarase, on charges that the firm violated Securities Exchange Act regulations in transactions involving Skiatron Electronics & TV stock and other issues (Vol. 16:32 p15), was postponed Sept. 7 until Nov. 21. Counsel for the brokerage firm asked for more time.

Connie B. Gay Bestg. Corp. plans public sale of 130,000 common shares (\$1 par value) to help pay for its acquisition of KFEQ-TV & KFEQ St. Joseph, Mo. and radio KLIK Jefferson City (Vol. 16:32 p10). Hill, Darlington & Co. heads underwriters for the offering, expected late Oct.

Clevite's electronics operation increased sales 60% during first-half 1960 and registered an even greater profit gain over Jan.-June 1959. The electronics activity accounted for 40% of Clevite's total first-half sales of \$51,409,665 and nearly half of the pre-tax profit of \$7,921,395.

Corporation	Common Stock Dividends	Stk. of	
	Period	Amt. Payable	Record
Clevite Corp. ....	Q \$0.30	Sep. 29	Sep. 19
Corning Glass ....	Q .37½	Oct. 1	Sep. 19
Decca Records ....	Q .30	Sep. 30	Sep. 19
MGM .....	Q .40	Oct. 14	Sep. 16
Motorola (new) ....	Q .25	Oct. 14	Sep. 30
RCA .....	Q .25	Oct. 24	Sep. 16
Times-Mirror Corp. ....	Q .10	Sep. 14	Sep. 2
Universal Pictures ....	Q .25	Sep. 28	Sep. 17
Warner Bros. ....	Q .30	Nov. 4	Oct. 14

Siegler Corp., reporting record sales & profits for the year ended June 30 (see financial table), noted that its 2 consumer-product divisions were both "up substantially" in gross & net. Pres. John G. Brooks said that Olympic's unit volume gain during year was 25.7%, while Bogen-Presto to "increased its annual volume by a substantial margin."

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 8, 1960

Electronics    TV-Radios-Appliances    Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	25½	28¼	Magnetics Inc.	9½	11
Aerovox	10¾	11¾	Maxson (W.L.)	10	11
Allied Radio	24½	26¼	Meredith Pub.	41¼	44¼
Astron Corp.	2¼	2¾	Metropolitan Bctg.	18¼	19¾
Baird Atomic	33	35¾	Milgo Electronics	20	24½
British Industries	13¾	15½	MPO Videotonics	7¾	8
CGS Labs	9	11½	Narda Microwave	4½	5½
Control Data Corp.	41½	44¾	Narda Ultrasonic	1¾	2¾
Cook Elec.	15	16¾	National Co.	31	33¾
Craig Systems	17	18¾	Nuclear of Chicago	30½	33½
Dictaphone	42½	45¾	Official Films	2-1/16	2½
Digitronics	23	25½	Pacific Automation	7¾	8½
Eastern Ind.	13½	14½	Pacific Mercury	7¾	8½
Eitel-McCullough	26%	28¾	Perkin-Elmer	43½	46½
Elco Corp.	16½	18	Philips Lamp	167	172½
Electro Instruments	32	35¾	Pyramid Electric	3½	3¾
Electro Voice	13½	14½	Radiation Inc.	24	26½
Electronic Associates	29	31½	Howard W. Sams	46½	50½
Erie Resistor	8¾	9½	Sanders Associates	57	61½
Executione	34	37½	Silicon Transistor	6½	7½
Farrington Mfg.	40½	43½	Soroban Engineering	25	27
Fischer & Porter	20½	22½	Soundscripter	13½	15½
FXR	45	49½	Speer Carbon	23½	25½
General Devices	15	16½	Sprague Electric	51½	55
G-L Electronics	9½	11	Taft Bctg.	13½	14½
Granco Products	4¾	5¾	Taylor Instrument	35½	38¾
Gross Telecasting	18½	20¾	Technology Inst.	11½	12½
Haydu	½	5/16	Tele-Broadcasters	½	
Hewlett-Packard	28¾	30½	Telechrome	13½	14½
High Voltage Eng.	144	157	Telecomputing	8¾	9½
Infrared Industries	21	22¾	Telemeter	13	14½
International Rectifier	21½	23	Time Inc.	63¾	67½
Interstate Engineering	26½	28½	Tracerlab	11	12½
Itek	62½	67	United Artists	6½	7½
Jerrold	9½	10½	United Control	24	26½
Lab for Electronics	44¾	48	Universal Trans.	1¾	2½
Lel Inc.	5¾	6½	Vitro	12½	13½
LFE Inc.	11½	14½	Vocaline	3	3-7/18
Ling Altec Electr.	28½	30¾	Wells-Gardner	16½	17½
Magna Theater	3	3-7/16			

Charles E. Salik's electronics financial activities are going international. The president of Electronics Capital Corp., described by financial experts as the nation's only really successful small business investment company, has applied to SEC for permission to offer U.S. buyers securities in the Electronics International Capital Ltd., Hamilton, Bermuda. The new international firm was incorporated by a special act of the Bermuda Parliament as a closed-end non-diversified management investment company investing in securities of foreign electronics firms, including those traded on stock exchanges of Toronto, Montreal, London, Amsterdam, Frankfurt, Paris or Johannesburg. It plans a public offering of shares through a group headed by Bear, Stearns & Co. to obtain at least \$22.5 million for investment purposes. Salik, listed as pres. & chmn. of Electronics International Capital, owns 81% of the stock of Electronics Investment Management Corp., which, in turn, owns all the stock of Electronics International Management Ltd., which will serve as investment adviser to Electronics International Capital.

Electronics Investment Corp., the mutual fund headed by Charles E. Salik, reports total net assets as of July 31 of \$35,008,339, an increase of 16% over the \$30,137,333 a year ago. Net asset value per share was \$7.95 at the end of the period. Portfolio changes during the quarter: Only new stock purchased was Hathaway Instruments (25,000 shares). Stockholdings were increased in Aerojet-General, Ampex, Elliott-Automation Ltd., IBM, Lab for Electronics, Litton Industries, Microwave Associates, Motorola, Packard Bell, Siemens & Halske, Transitron and Varian. Stockholdings in Sperry Rand were decreased.

Electro-Science Investors Inc., organized in August in Richardson, Tex. as a closed-end management investment company, has applied to SEC (File 2-17013) for registration of 772,000 common stock shares for public sale, price undisclosed in the application. Kidder, Peabody & Co. and Rauscher, Pierce & Co. Inc. head underwriters of the issue. Licensed under the Small Business Investment Act, Electro-Science Investors proposes to furnish equity capital to small firms in electronic, scientific and technological fields. Principal holders of 728,000 common shares now outstanding include Chmn. James J. Ling, Pres. Joseph F. McKinney, Troy V. Post, Luther D. Oliver, Robert A. Hall. Present shares were issued at \$10.

## Educational Television

Foreign ETV is being furthered by the Ford Foundation with a \$684,000 grant to experimental TV-radio school systems in India & Nigeria. \$474,500 went to the Indian govt. for a 4-year ETV program in secondary schools of Delhi & New Delhi. The Nigerian Bctg. Co. will receive \$210,000 for an educational-radio project for secondary schools & teacher-training institutions. In both instances school authorities hope that broadcasting media will help offset the shortage of qualified teachers.

Gift of 500-ft. TV tower to Central Mich. U. at Mt. Pleasant for its proposed Ch. 14 educational station there has been made by WNEM-TV Bay City-Flint-Saginaw. The tower, valued by WNEM-TV at \$60,000, has been unused since the station replaced it with a 1,000-ft. structure in Dec. 1957. Flint Junior College recently received 2 camera chains from WNEM-TV.

New Voice of America series of taped on-campus interviews with foreign students at 15 universities, arranged with the help of the National Assn. of Educational Bcstrs., is scheduled by USIA's overseas broadcast service.

## Foreign

### More about

**WORLD TV GROWTH:** This table of world TV stations & sets-in-use as of Aug. 1, 1960 is based on the new Foreign TV Directory, a feature of the forthcoming 1960 Fall-Winter TELEVISION FACTBOOK (see p. 3):

Country	Stations	Sets	Country	Stations	Sets
Algeria .....	4	47,700	Malta <sup>a</sup> .....	—	8,500
Argentina .....	2	450,000	Mexico .....	20	660,000
Australia .....	16	950,000	Monaco .....	1	11,000
Austria .....	17	150,000	Morocco .....	—	5,000
Belgium .....	5	400,000	Netherlands .....	6	700,000
Bermuda .....	1	8,500	Netherlands .....	—	—
Brazil .....	24	1,100,000	Antilles .....	1	3,000
Bulgaria .....	1	3,000	Nicaragua .....	1	5,000
Canada .....	70	3,840,000	Nigeria .....	2	6,000
Chile .....	2	1	Norway .....	2	17,500
China (mainland) ...	5	6,000	Okinawa .....	2	1
Colombia .....	10	150,000	Panama <sup>4</sup> .....	1	11,000
Costa Rica .....	1	3,000	Peru .....	5	33,200
Cuba .....	27	500,000	Philippines .....	4	30,000
Cyprus .....	1	1,000	Poland .....	14	300,000
Czechoslovakia ..	9	600,000	Portugal .....	5	40,000
Denmark .....	10	400,000	Rumania .....	2	22,000
Dominican Rep. ....	4	15,000	Saudi Arabia .....	1	4,200
Ecuador .....	1	1	Spain .....	6	240,000
El Salvador .....	3	30,000	Sweden .....	35	810,000
Finland .....	13	60,000	Switzerland .....	14	105,000
France .....	65	1,500,000	Taiwan .....	1	100
E. Germany .....	10	503,000	Thailand .....	2	50,000
W. Germany .....	228	4,250,000	Trinidad .....	1	24
Guatemala .....	2	25,000	Turkey .....	1	1,000
Haiti .....	1	1,200	United Arab Republic .....	1	30,000
Honduras .....	1	2,000	United K'dom ..	35	10,900,000
Hong Kong <sup>3</sup> .....	1	5,400	Uruguay .....	1	25,000
Hungary .....	5	75,000	USSR .....	150	4,000,000
India .....	1	300	Venezuela .....	13	250,000
Iran .....	2	36,000	Yugoslavia .....	5	15,000
Iraq .....	1	70,000	FOREIGN TOTAL .....	1383	40,360,224
Ireland <sup>2</sup> .....	—	70,000	U.S. ....	570	53,600,000
Italy .....	400 <sup>5</sup>	1,800,000	U.S. Military ....	31	—
Japan .....	103	5,000,000	GRAND TOTAL .....	1953	93,960,224
Korea .....	1	7,000			
Kuwait .....	1	600			
Lebanon .....	2	12,000			
Luxembourg .....	1	6,000			

<sup>1</sup> Sets-in-use estimate unavailable.

<sup>2</sup> Viewers tune to British stations.

<sup>3</sup> Closed-circuit cable systems.

<sup>4</sup> Viewers tune to Armed Forces.

<sup>5</sup> Includes 372 satellite stations.

<sup>6</sup> Viewers tune to Italian stations.

UNESCO TV conference in Paris on promotion of international understanding produced discussion—but no decisions—by producers & directors from 10 countries, including CBS's John Lynch. Other participants in addition to UN staffers represented networks in the Soviet Union, Czechoslovakia, Canada, France, Italy, Mexico, Japan, West Germany, the United Kingdom. Among projects proposed at the sessions: (1) Coordinated production, exchange and broadcasting of TV programs. (2) UNESCO cooperation with the International Film & TV Council in establishing an information service. (3) An annual prize for best international programming. (4) Network production of films on children for international exchange. (5) Network-UN cooperative projects.

Soviet protests against proposed establishment by the Adenauer govt. of a central radio network in West Germany, with hq set up in Berlin (Vol. 15:46 p14), have been rejected again by the State Dept. Replying to a July 28 note from the Kremlin which raised new objections to the plan, the State Dept. retorted that the USSR made "false & provocative" claims to Communist East German territorial rights in Berlin. The U.S. reply said: "The attitude of the Soviet govt. is the more unjustified since East Zone authorities operate several broadcasting stations in Berlin and interfere with normal broadcasting in Germany through numerous jamming stations."

Cuba & East Germany are setting up for a regular TV program exchange, according to the official East German news agency ADN.

# WEEKLY Television Digest

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## SUMMARY-INDEX OF WEEK'S NEWS

### FCC

**TIGHT 4-3 VOTE SHAVES OPTION TIME** to 2½ hours per segment of day as Comr. King breaks deadlock. Ford, Hyde & Bartley dissent (pp. 1 & 5).

**PAY-TV TEST DUE FOR FCC HEARING** before all 7 Commissioners. Oct. session, featuring limited cross-examination, may be ordered this week (pp. 2 & 6).

**FAA INTO TALL TOWER ACT** with issuance of proposed new rules. Broadcasters fearful of possible intent to usurp FCC's final say-so (p. 5).

### Advertising

**IMAGE MAKERS COMING INTO THEIR OWN** in TV. Growing list of sponsors now buying public-affairs shows for a variety of reasons, ignoring program ratings (p. 9).

**ADMAN BLASTS ADS:** Dodge ad & sales promotion mgr. W. D. Moore decries dishonesty in copy, warns medium it is reaching ultimate in insulting buyer's intelligence (p. 10).

### Auxiliary Services

**TELEMETER—MIXED REPORTS:** There are indications that all may not be smashing success for the Paramount-owned, coin-in-slot pay-TV experiment in Toronto, according to outside observers (pp. 4 & 6).

**YUMA CATV-STATION FIGHT ENDS** with sale of KIVA for \$550,000 to cable operator who will put KIVA signal on one channel (p. 7).

### Consumer Electronics

**AD PRACTICES CODE** for TV-radio-phono retailers to be drafted by EIA; seen covering price comparisons, bait ads, screen sizes, stereo claims, etc. (p. 16).

**NEW JAPANESE ONSLAUGHT** coming, with portable & color TV next targets, EIA is warned by Texas Instruments vp, who predicts "every segment of industry" will feel import competition (p. 16).

**STEREO SALES GAINS** continue, retail figures showing 7-month increase of almost 90% compared with last year. Retail sales of all phones 21% ahead (p. 18).

### Networks

**CROSBY-NBC HASSLE CONTINUES,** Crosby sticking to his guns and charging that NBC's network TV profits had slipped badly in the past 4 years (p. 7).

**BILLINGS ROSE 17.4%** in July to \$55.8 million from \$47.5 million a year ago; TvB tabulation finds cumulative business 10.1% ahead of 1959's first 7 months (p. 8).

### Film & Tape

**MARTIN LEADS OUT** as Desilu exec. vp in split with Desi Arnaz, breaking up one of top production teams in TV film (p. 13).

**TV FILM'S CHANGING LANDSCAPE:** Small, free-wheeling independents vanishing as giants take over industry (p. 14).

**TIGHT 4-3 VOTE SHAVES OPTION TIME:** No significant change in networks' mode of operation is expected in visible future as result of new option-time rules adopted by FCC last week, effective Jan. 1, 1961—as it followed through on all the important changes proposed last year (Vol. 15:17 p3). And only time will tell whether networks' fears are justified—that reduction of option time from 3 to 2½ hours for each of day's 4 segments will gradually erode clearances, reduce income, degrade service.

Immediate problem facing networks is which hours to choose, as they cut ½ hour from option periods, after which they must amend all affiliation contracts to comply with new rules (for full text, see p. 5).

By very close 4-3 vote, with new Comr. Charles King the swing man, Commission adopted 4 of the 5 changes it proposed last year—reversing itself only on "straddle" time. Here's what it did:

(1) Reduced option time from 3 to 2½ hours for each of day's 4 segments.

(2) Provided more variation in the amount of advance notice a network must give affiliates of plans to put shows in unused option time. Present minimum is 8 weeks. Now it will be 4-13 weeks.

(3) Gave stations right to reject network programs they've contracted for as well as those merely "offered" by networks.

(4) Gave stations right to substitute, for network programs, programs of "greater local or national importance." Current rules use word "outstanding" instead of "greater."

Commission backed off from its proposal to treat "straddle" programs (those lapping over into option time) as entirely within option time. Instead, it decided to count them as entirely outside.

Basic purpose of changes, FCC said, was to "improve the competitive position of non-network groups and to broaden the individual station's freedom of program selection under its affiliation contract." The 21-page decision analyzes each change, together with all industry recommendations, in that light, concludes:

"The Commission recognizes that certain adverse effects to network operation may be involved in adopting these amendments. However, we are of the opinion that the amendments, considered individually or cumulatively, will not pose any serious threat to continued successful network operations and will make a significant affirmative contribution to the affiliates' freedom of program selection and the competitive opportunities available to non-network elements in the TV field."

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Chmn. Ford and Comrs. Hyde & Bartley issued strong dissent, written by Hyde. First, they said, networks & stations are so interdependent that option time isn't needed. Second, there's serious question as to legality of option time from anti-trust standpoint. (Justice Dept. had said it's illegal.) The decision, they said, seems to leave "the Commission & industry relying on FCC regulations in apparent conflict with anti-trust laws without even an argument to support an exemption." Finally and basically, they said: "We believe that the fundamental issue in this proceeding was whether the broadcasting industry should operate under traditional concepts of competition which the anti-trust laws are designed to foster, or whether it should be subjected to a system of increasing governmental regulation which the majority seems to favor . . ."

Commission was deadlocked 3-3 in its voting last week, we're informed, throwing decision fully up to newcomer King. Though he'd done considerable homework on subject during Aug. vacation, he said he was impressed by new ideas brought out in discussion, indicated he'd like more time to ponder. Some Commissioners suggested vote be delayed a week but Cross pressed for final decision then & there—and colleagues finally went along with him.

King's concurring opinion seems to indicate tendency to side with minority. However, he didn't agree with them that Commission had before it the alternative of doing away with option time. Said he:

"I concur in the order, but not necessarily in the numerous statements contained in the report preliminary thereto which are not necessary to the recital on page 2 of the report that 'optioning of time by affiliates to their networks is reasonably necessary for successful network operations and in the public interest.'

"In this particular rule-making proceeding, due to the limited period for which I have been a member of the Commission, no opportunity has been available to me to choose between alternatives other than the two presented by the motion to adopt the subject order, namely, either to reduce the option time permitted by the Commission's rules from 3 to 2½ hours per broadcast segment or to continue it at the present 3 hours. As between these 2 alternatives, I choose the former; beyond that my vote should signify nothing."

In light of King's apparently lukewarm assent, there's speculation within FCC that Commission might grant a petition for reconsideration (if anyone, such as option-time opponent KTTV Los Angeles, filed one) and reverse itself—killing option time. However, another school within Commission doubts whether it would want to invite charges of "vacillation."

Interesting question raised but not answered by the 3-man dissent: Do they believe that option time should be prohibited? Or do they believe option time should operate on a laissez-faire basis, controlled only by anti-trust decisions as charges of abuses arise? Best judgment at Commission is that one dissenter is for prohibition, one for laissez-faire, one in between. Dissent may be read both ways.

**PAY-TV TEST DUE FOR 5-DAY FCC HEARING:** One solid week is being considered favorably by FCC for a hearing, before all 7 Commissioners, of RKO General-Zenith's proposed Hartford pay-TV test. It's understood that Commission told staff to draft up an order for probable adoption Sept. 20, day before members go to N.Y. for luncheon meeting of Radio & TV Executives Society.

A "403 hearing" is what's in works—meaning the kind of inquiry permitted by Sec. 403 of Communications Act. This is same sort of hearing used in network study. However, variations are being considered—

"limited" cross-examination, for example; none was permitted in network case. What Commission wants to do is clear decks for clean-cut yes-or-no decision on the test, not get things tied up in legal technicalities for months or years.

Main legal problem is this: If RKO-Zenith gets go-ahead without a hearing, a protest is likely to be filed & granted, requiring long evidentiary hearing. However, what kind of hearing must be held before grant if protest is to be precluded? New pre-grant procedure just voted by Congress isn't effective until Dec. 13. Meanwhile, regular protest procedure remains in force. Apparently, much depends on when FCC finally votes to grant or deny test go-ahead—whether before or after Dec. 13. Staff is now doodling over legalities.

Original FCC thought was to give couple days a week to hearing. However, it's understood Chmn. Ford pushed for straight 5-day job some time in Oct.—not even stopping for regular Wednesday meeting—and that's what's in works now. Knowing how Chmn. Ford operates (Vol. 16:33 p2), you can expect Commission to make up its mind at end of 5th day.

Commission is said to be virtually unanimous on this so far. It's also apparent that it doesn't intend to let hearing run more than 5 days. FCC is expected to give main parties plenty of time—but short shrift to witnesses offering cumulative evidence.

Though Telemeter has said it has no plans to program-test its pay system over the air, intends to expand cable operations, last week it asked FCC for permission to make a 6-month technical air test of its system. It proposed to operate a test facility at Hazeltine Research Labs, 3320 W. Burbank Blvd., Burbank, Cal., using a 5-watt Ch. 3 transmitter at 16215 Sierra Hwy., Saugus, Cal. Purpose of test, it said, is to see how system works under conditions of multipath transmissions, ghosting, fading & "other circumstances" and to see how it handles color.

Incidentally, Chmn. Ford is due to inspect Telemeter's Toronto wired toll-TV set-up after his Oct. 6 address before Radio-TV News Directors Assn. convention in Montreal's Queen Elizabeth Hotel.

The only operating pay-TV system—Telemeter's wired experiment in Etobicoke, Ontario—was subject of skeptical comment from admen, meanwhile. For details, see pp. 4 & 6.

**RATINGS vs. CORPORATE IMAGE:** A big rating is nice to have—but growing list of network advertisers are today more concerned with "corporate image" projected by their shows and with quality of audience that's reached.

There are 4 basic reasons for trend toward ratings-aren't-everything philosophy, network & agency executives tell us:

1. Appeal to highly select, deluxe audience through cultural, specialized programming. Such an audience, if properly pin-pointed, usually has higher income, more leisure, more outside interests, and is more likely to buy expensive products. (Examples: Bell & Howell's part sponsorship of "Winston Churchill Memoirs" series on ABC-TV; Florist Telegraph Delivery Assn. sponsorship of color opera specials on NBC TV.)

2. Creation of strong corporate image within professional field, particularly in recruiting cream of college grads with science degrees for company employment. (Examples: GE's sponsorship of "College Bowl," various educational & scientific specials on CBS-TV; Aluminium Ltd. sponsorship of "Omnibus" on NBC-TV.)

3. Identification with cultural projects by relatively small-budget advertisers seeking maximum publicity mileage. In such a case, sponsor usually feels that strikingly controversial special which gets big press play is worth several expensive weeks on straight bread-&butter shows. (Examples: Purex Co. sponsorship of the recent Sacco-Vanzetti drama special on NBC-TV; Longines-Wittnauer sponsorship of pre-election political specials, also on NBC-TV.)

4. Big-budget advertiser use of cultural programming as a "balance" to more routine week-to-week shows, or simply to project dignified corporate image in mass media. (Examples: Brown & Williamson part-sponsorship of recent "Journey to Understanding" on NBC-TV; U.S. Steel prestige dramas on CBS-TV, etc.)

Struggle by networks to sell cultural programming isn't as difficult as it used to be. For advertisers who still cherish strong sponsor identification in TV, public-affairs shows are sometimes better buy than slice of multi-sponsored film series, no matter how high in rating ranks. (For further comment by admen, see p. 9.)

**TV'S 'U-2 LOOK' AT TELEMEETER:** Is Telemeter's Canadian pay-TV experiment really a success? According to Telemeter executives, it is. But there are indications from other sources that coin-in-slot, Paramount-owned operation is something less than runaway hit.

Real facts about Telemeter are a close-kept secret. What you read & hear about Toronto tryout is largely what is carefully filtered, like wartime communiqus, through Paramount's N.Y. hq. Telemeter has yet to reveal: (1) Per-home average spending. (2) The break-even point. (3) Just how much work is involved in maintaining and processing coin-box system. (4) Any extensive program plans for future, apart from feature movies. (5) How Telemeter stacks up against free TV in viewer preference.

This has led to some quiet snooping in Toronto by various organizations, including the Ted Bates and Young & Rubicam agencies, all 3 U.S. TV networks, and at least one major movie studio. We've managed to track down a number of observers who have staged their own private brand of U-2 flight in Etobicoke, site of the Telemeter experiment. Consensus so far: Telemeter has achieved a measure of success, but it's a long way from being a threat to free TV (for details, see p. 6).

Telemeter has already downgraded profit predictions for the system. Earlier this summer, a Telemeter operations executive told us that the Etobicoke experiment, which started in late Feb., would show a profit after "the first 6 months" (Vol. 16:29 p10). Last week, Telemeter Pres. Louis A. Novins told Advertising Age that Telemeter would be in the black "by winter." This suggests that Telemeter is already behind its financial schedule by several months, even though it's ahead in terms of installations.

Why does Telemeter operate behind an Iron Curtain? There are several obvious reasons. For one thing, Telemeter hopes to move, in 1961, into the U.S., via franchises in such locations as the N.Y. and Los Angeles areas; adverse publicity would hurt franchise sales. For another, Telemeter will face much more difficulty in providing movie program fare in the U.S. than in Canada, where Famous Players (Toronto franchise holder in which Paramount has a 51% interest) controls half the nation's movie theaters.

**VOID MIAMI CH. 7 CP, EXAMINER URGES:** FCC's special "influence" examiner Judge Horace Stern, deciding he has to follow Commission's tough examples in Miami Ch. 10 & Boston Ch. 5 cases (Vol. 16:29 p1), got just as tough in Miami Ch. 7 case. His recommendation last week: (1) Take WCKT from Cox-Knight-Trammel group (Biscayne TV Corp.). (2) Totally & finally disqualify Biscayne, South Florida TV Corp. and East Coast TV Corp.

This leaves Sunbeam TV Corp. without a scratch on it, thus raising obvious speculation that it stands strong chance of getting Ch. 7 by default, precisely as did L. B. Wilson in Miami Ch. 10 case.

Judge Stern's 14-page decision summarized testimony and concluded that 3 applicants were guilty of misconduct & improper activities in attempting to influence Comr. Mack, and therefore should be disqualified.

Stern seemed a bit reluctant to be as severe as Commission. It "would constitute the ordinary practice" to issue "black marks" against the wrongdoers, he said, but he noted that FCC went further in Miami Ch. 10 case and said that the accused parties were "unfit to become licensees of the Commission." Said Stern: "Applying this viewpoint, it would seem necessarily to follow" that Biscayne, South Florida and East Coast are done for, because their activities were "precisely the same" as those of miscreants in Ch. 10 case.

Venerable Judge Stern, ex-Pa. Supreme Court Chief Justice who was 82 Aug. 7, certainly keeps his promises. He had said he aimed for decision by Sept. 15. It was issued Sept. 14.

In Miami Ch. 10 & Boston Ch. 5 cases, meanwhile, Commission followed through with its intentions to keep its original decisions in force, issuing final orders supporting their instructions to staff (Vol. 16:37 p1). WPST-TV Miami & WHDH-TV Boston had sought to persuade Commission to hold everything pending court appeal and request for FCC rehearing, respectively. WHDH-TV promptly appealed to Court of Appeals at end of last week, asking that FCC be required to stay effectiveness of its basic decision, that FCC be ordered (after its forthcoming decision on WHDH-TV's petition for rehearing) to certify whole record to the Court, that Court ask parties to file briefs within 30 days thereafter.

FCC Chmn. Frederick Ford has 2 speeches on tap: Sept. 21, Radio-TV Executives Society, Hotel Roosevelt, N.Y., accompanied by the rest of the FCC Commissioners; Oct. 6, Radio-TV News Directors Assn., Queen Elizabeth Hotel, Montreal.

Anti-payola bill (S-1898) is now law, the President having signed it last week, and it's now up to FCC to flesh it out with a set of rules, on which its staff is already working. Also signed was HR-12536, exempting co-op ad allowances from excise taxes (see p. 17).

## The FCC

### More about

**AMENDED NETWORK RULES:** Here is the full text of FCC's new rules, effective Jan. 1, 1961, concerning option time and stations' rights to reject programs (see p. 1)—changing Sec. 3.658, (d) & (e):

(d) **Option Time.** (1) No license shall be granted to a television broadcast station which options for network programs any time subject to call on less notice than is required by subdivisions (i), (ii), (iii) of this subparagraph.

(i) In no event may a station subject its time to call, under an option, for a network program to commence earlier than four weeks after notice of exercise of the option.

(ii) If a station has a written contract with one or more advertisers pursuant to which a non-network program series is being broadcast, the time so contracted shall not be callable under an option held by a network until the earlier of (a) the end of a 13-week waiting period or (b) the end of the program series so contracted.

(iii) If a station has entered into a written contract with an advertiser or advertisers for the broadcast of a non-network program scheduled to commence no later than four weeks after the network exercises its option for the same time segment, the network may not under its option require the station to substitute a network program until the earlier of (a) 13 weeks from the commencement of such non-network program or (b) the end of the program series so contracted.

(iv) If the station has contracted with more than one advertiser for the program series, the end of the program series for the purposes of this section shall be the latest of the several contract termination dates.

### Option-Time Periods Described

(2) No license shall be granted to a television broadcast station which options for network programs more than a total of 2½ hours within each of four segments of the broadcast day, as herein described. In determining the number of hours of option time, any network program which begins during the hours agreed upon by the network and station as option time and extends into non-option time, or which begins during non-option time and extends into the hours agreed upon as option time, shall be considered as falling entirely outside option time. The broadcast day is divided into four segments, as follows: 8 a.m. to 1 p.m.; 1 p.m. to 6 p.m.; 6 p.m. to 11 p.m.; 11 p.m. to 8 a.m. (These segments are to be determined for each station in terms of local time at the location of the station but may remain constant throughout the year regardless of shifts from standard to daylight saving time or vice versa.) Time options may not be exclusive as against other network organizations and may not prevent or hinder the station from optioning or selling any or all of the time covered by the option, or other time, to other network organizations.

(3) As used in this section, an option is any contract, arrangement or understanding, express or implied, between a station and a network organization which prevents or hinders the station from scheduling programs before the network agrees to utilize the time during which such programs are scheduled, or which requires the station to clear time already scheduled when the network organization seeks to utilize the time. All time options permitted under this section must be specified clock hours, expressed in terms of any time system set forth in the contract agreed upon by the station and network organization. Shifts from

daylight saving to standard time or vice versa may or may not shift the specified hours correspondingly as agreed by the station and network organization.

(e) **Right to reject programs.** No license shall be granted to a television broadcast station having any contract, arrangement, or understanding, express or implied, with a network organization which, with respect to programs offered or already contracted for pursuant to an affiliation contract, prevents or hinders the station from (1) rejecting or refusing network programs which the station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or (2) substituting a program which, in the station's opinion, is of greater local or national importance.

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**FAA Into Tall Tower Act:** Broadcasters were uncertain & apprehensive last week after reading proposed rules issued by the FAA governing erection of tall structures.

FAA said it was proposing the new rules for 2 major reasons: (1) The Air Coordinating Committee, which heretofore made recommendations on tall broadcasting towers to FCC, goes out of business Oct. 10 and its duties must be absorbed by FAA. (2) No "forum" exists to evaluate non-broadcast structures.

Industry attorneys said it's impossible to tell from the 54-page document whether FAA is attempting to usurp FCC's final authority to approve or disapprove towers—but they fear that it is. They have in mind the comments of the Air Transport Assn., filed in FCC's Docket 13384, asserting that FCC is no longer in the picture. Reply comments in the Commission proceeding are due Sept. 19, and TV-radio industry will be on hand with heavy rebuttals asserting that the law says FCC has the power—or has the duty to decide whether it still has the power—and that the courts, not the executive branch, are the place to resolve any conflict that may arise between FCC & FAA.

Among provisions of FAA's proposal is this one: FAA will designate specific location, size & shape of antenna farms for the whole country. Comments on FAA's proposal are due by Oct. 31. Document is labeled Airspace Docket No. 60-WA-159.

The FCC proceeding had started out as an innocuous thing amending rules to reflect FAA's assumption of ACC's duties. It got hot when ATA asserted that FCC's tall-tower power has disappeared.

NAB filed its comments with FCC late last week, before the deadline, asserting that FCC still has final authority, stating that the Federal Aviation Act, which set up FAA, gives FAA "no authority, expressed or implied, to exercise final jurisdiction over broadcast transmission towers."

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Ownership of both vhf & uhf in Eau Claire, Wis.—an important policy departure—was due to be granted by the FCC last week through the issuance of a CP for Ch. 25 to WEAU-TV (Vol. 16:37 p12), but it's understood that at the last minute the Commission learned of a competing Ch. 25 application being filed. It withheld action and asked its staff to come up with a proposal to drop another uhf channel into the city.

CPs granted: Ch. 13, Flagstaff, Ariz., to Saunders Bctg. Co. • Ch. 34, Salina, Kan., to Prairie States Bctg. Co. • Educational Ch. 10, Portland, Ore., to State Board of Higher Education • Ch. 70 translator, Daggett, Cal., to Elephant Mountain TV Club • Ch. 22, Ft. Smith, Ark., to Ft. Smith Telecasters Inc.

## Auxiliary Services

### More about

**ADMEN EVALUATE TELEMEETER:** With their vested interest in free-TV commercial billings, the major ad agencies and TV networks have, from the start, been fascinated by Telemeter's wired pay-TV experiment in Toronto suburb Etobicoke. Does it spell doom for TV as most admen know it? Will network-TV cowboys gallop unseen across film prairies while viewers drop coins in a slot to watch new movies instead? Can free TV and pay TV co-exist?

A TV-radio executive of one of the largest ad agencies in N.Y., recently returned from a first-hand look at the Telemeter setup, summed up his reaction thus:

"Telemeter has a solid setup in Toronto, but if it continues on its present path, it's doubtful that it will be a long-range success. The pricing structure (i.e., \$1 for movies; 25¢ for special kid shows) is such that viewers can't help but be satisfied with it. They have no trouble in signing and holding subscribers."

"But the Toronto operation is essentially a missionary operation. Telemeter officials have kept the price low. They don't tread too heavily on downtown theaters, and never have any 'exclusive' or 'preview' film showings. They have announced little in the way of program plans of their own. The novelty is wearing off, too. I'm convinced that Telemeter will not provide a major threat to regular TV."

### Telemeter Vs. Bartlesville Test

A top research official of another major agency, which made a study of the now defunct Bartlesville (Okla.) pay-TV project and more recently prepared a client-level study and presentation on Telemeter, took a similar tack in discussing the Toronto experiment with us:

"Telemeter differs from the Bartlesville test in that nearly all of the respondents in our study like it. If Telemeter gets off the ground in a big way—and it will only do this if it proves economically feasible—it will be competitive with free TV. But the competition will be spotty, and it is ridiculous nonsense to think that it will be a constant major threat to regular sponsored TV. At best, I don't think Telemeter would ever be able to reduce the total available audience for free TV in the U.S. by more than 10%."

Apart from such purely-opinion reaction (typical, incidentally, of agency-network feeling today toward Telemeter), there are some clues which indicate mixed success:

**Ratings:** There's only been one real test so far of how Telemeter stacks up against free TV. Early in the Telemeter experiment, Canada's Elliott-Haynes Research Co. (which operates much as the U.S. Trendex firm does) made a telephone coincidental study—with Telemeter's cooperation—in Telemeter equipped homes. Since viewers in the area can watch ABC, CBS and NBC shows, plus CBC programs and a Hamilton, Ont. independent station, Telemeter exists in what is actually a 6-channel situation. In the E-H checkup, it was learned that Telemeter actually ranked 5th among the 6 program choices in Telemeter homes. Telemeter promptly withdrew its cooperation, and there has been no subsequent study.

**Grosses:** Telemeter is about as eloquent as a Kremlin security official when it comes to per-home grosses, although it has issued hints that grosses are high (Vol. 16:29 p10). Reputedly, the break-even point for Telemeter has been on the order of \$2 weekly. A quick door-to-door

sampling by a Toronto newspaper, soon after Telemeter started, indicated a \$2.35 average in spending. But this may be very optimistic. Agency sources in N.Y. told us of a study of the Etobicoke area made by one of the U.S. networks for its corporate management which covered nearly one out of every 3 Telemeter homes. Reportedly, this network study shows that Telemeter grosses this summer averaged less than \$1 per home weekly. (Interestingly, CBS flatly denied the existence of such a study; NBC sources, however, told us they had indeed heard of it, quoted us figures from it, but said it wasn't theirs.)

### Rumors of Mechanical Troubles

**Problems:** From time to time, there has been a rumor that Telemeter has had mechanical trouble with its top-of-the-set gadget that collects viewer coins and unscrambles the pay-TV channel. Telemeter has always denied the charge. But one NBC official, who knows his electronics and who toured the Telemeter origination plant in Toronto, told us that, as far as he could tell, the rumors were true. "The process of collecting the boxes, emptying them, and tallying the results involves several steps, a lot of manpower, and considerable time," he said. "Down at one end of the plant I saw a huge pile of defective pay-TV units that was being sent back to the manufacturer for repair. Apparently, the gadget gets out of whack fairly easily."

Telemeter's own view continues to be rose-tinted.

By Telemeter's latest count, there are 6,000 homes (of a potential 12,500) wired into the cable system. So far, Paramount's investment in Telemeter (development, research, the Etobicoke system, etc.) has amounted to some \$10 million, according to Pres. Novins, but Telemeter expects to get it back. Although most of the programming to date has been feature movies, Telemeter has taped (in N.Y., under a special AFTRA scale that calls for a share of the gross for performers in addition to network minimum) a full-length version of Gian-Carlo Menotti's "The Consul," produced by Jean Dalrymple (Vol. 16:20 p12). Telemeter has no intention of padding its revenue with commercials on pay-as-you-look programs, and takes the attitude that it can get along without them. At the moment, Telemeter has stopped installing decoders in Toronto homes so that it can "research the homes" and "evaluate trends."

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Pay TV would destroy free TV and movie theaters, speakers at last week's Theater Owners of America Los Angeles convention reiterated. Chmn. Philip Harling of TOA's Committee Against Pay TV said he sensed public antipathy to the Etobicoke wired toll-TV experiment while visiting Canada. He said TOA has collected 16 million signatures on an anti-pay-TV petition, with 30 million the nation-wide goal. Washington attorney Marcus Cohn charged that pay-TV proponents are really interested in "free air waves"—not wired systems. Pres. Mitchell Wolfson of theater & TV-owning Wometco Enterprises, Miami, called pay TV a "one-armed bandit" and said that neither movie theaters nor quality free TV could co-exist with it.

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Multiplexed weather service on a national scale, utilizing FM stations, is contemplated by the U.S. Weather Bureau. Following a suggestion by Sen. Green (D-R.I.), the Bureau has started experimentation with *Providence Journal's* WPJB-FM and *Travelers'* WTIC-FM Hartford, planning continuous weather broadcasts 12-16 hours daily.

**Yuma CATV-Station Fight Ends:** Battle between KIVA Yuma and the local community antenna system came to a halt last week when Harry C. Butcher sold the station to CATV operator Bruce Merrill for \$550,000 and agreed to withdraw his protest against FCC's grant of Merrill's microwave to bring Phoenix signals to Yuma. Butcher said he's pleased with Merrill's plans for operating KIVA—putting its signal on one CATV channel. In addition, he said, KIVA advertisers will get double exposure on the cable through a switching technique which will put its network adjacencies on 2 channels. Furthermore, he said, KIVA has been getting its network feed from Los Angeles, which meant that its viewers had been seeing programs at least one hour later than Yuma viewers—who had been getting their network shows via Phoenix. Henceforth, KIVA will also be fed by microwave from Phoenix.

"We had to sell or go into the CATV business," Butcher said. "If it hadn't been for the cable, we'd have been in good shape, for we had turned the profit corner last year. I bought the station for \$241,000 in 1957, when it was in Chapter XI [bankruptcy]. We put a lot of money into it—went to maximum power, put a studio in El Centro, installed network color, etc. We got out with a reasonably whole skin."

Butcher believes the deal may presage a trend for the industry, whereby viewers get a multiple choice of signals while local stations improve their chances of surviving and furnishing locally-originated service. Merrill said that no changes in KIVA personnel are contemplated.

Last year, Butcher sold 75% of KIVA to interests headed by Floyd Odlum, retired chairman of Atlas Corp.

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Teaser press release put out by David E. Bright, chmn. of H & B American Corp., Los Angeles, which recently paid \$5 million for Jerrold's 9 CATV systems (Vol. 16:33 p8), says that his firm has in "preliminary" stages "further large acquisitions in antenna systems, radio & TV." H & B last week reported the sale for "in excess of \$2 million" of its General Trading Co. subsidiary to Gould-National Batteries Inc., St. Paul, distributor of automotive & industrial supplies and agricultural equipment through 43 outlets in 6 north central states.

NCTA's 10th annual convention will be held June 20-23, 1961 at the Jack Tar Hotel, San Francisco.

## Educational Television

"Teaching with Television—An Institute for Medical Educators" will be conducted in Fla. Oct. 27-28 by the Institute for Advancement of Medical Communication's Council on Medical TV. The Oct. 27 lab session will be at the U. of Fla. College of Medicine, Gainesville, and on Oct. 28 participants will see a "scrambled-image" demonstration in Jacksonville, site unspecified. The Council is also planning a TV teaching institute for dental educators to be held in Boston March 25, prior to the annual meeting of the American Assn. of Dental Schools March 26. Dr. Michael Romano, chmn. of U. of Pa. School of Dentistry TV committee, will be in charge.

Two credit courses will be offered on WNED-TV Buffalo, N.Y., the state's only ETV outlet, beginning today. The station has made arrangements with Buffalo U. and Canisius College for courses in English & European history.

## Networks

**CROSBY-NBC (cont.):** That hassle between TV columnist John Crosby and NBC's top management (Vol. 16:37 p7) went into a second round early last week, with Crosby determined to have the final word in print. There are a number of indications to show that he may have had just that.

NBC had rebutted Crosby's charges that the network's TV profits had slipped badly by stating they were at "a near record level." In a Sept. 12 column, Crosby snapped: "I said that former NBC Pres. Pat Weaver, with imagination and daring and quality programs had made profits of \$18 million out of network television in the last year of stewardship, whereas NBC this year would net from \$2 million to \$5 million with its mediocre horse operas. Well, I said it and I'm glad, because it happens to be true. CBS's TV network operations will net it 4 to 5 times as much as NBC this year; even ABC with a far lower gross will have higher TV network profits."

Although TV network profit levels are among the industry's best-kept secrets, we found that CBS and ABC network officials last week were more prone than usual to discuss them—especially NBC's.

What obscures such figures is that network TV profits are generally combined with profits from other TV activities, such as those made on o&o TV stations. Crosby noted this in his reply-to-NBC column, and guesstimated that WCBS-TV N.Y. for example "will gross roughly \$15 million this year with a net profit of roughly \$7 million." A high-ranking CBS source not only confirmed such gross-vs.-profit relationship but told us last week that "Crosby's figures are conservative."

Crosby also charged in his rebuttal that NBC's network TV profits had been lowered by a crop of bread & butter shows ("... most of them off the bottom shelf of MCA") that have been selling at cut prices.

A peace feeler of sorts was put forward by Crosby, who indicated that he'd had enough of the feud. "NBC has given me many wonderful moments," he said. "I love its news. I love Huntley-Brinkley. I love color TV. I'm sure it will give me many wonderful moments again when this lunacy blows over."

However, in an interview in Sept. 19 *Newsweek*, Crosby indicated he was fed up with just about all TV and would like to give up his TV column.

"In its present state, TV is terrible, absolutely terrible," he is quoted. "It could hardly be worse . . . Television is a form of dope addiction, consciously used by Madison Avenue for its cynical purposes, constantly increasing the national neuroses and weakening the national moral fiber . . . Even if it were possible to find out what the mob wants [through audience research], it's an immoral way to run a country or an industry or an individual. . . ."

Said Crosby: "I seriously intend to break off writing about TV exclusively. A guy should move on. I'd like to write a general column . . . write plays. I can't sit and stare at that box for another 10 years. I'd go crazy."

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ABC-TV affiliates are "extremely excited" about the network's fall schedule and "have hopes of a good year," said affiliate Chmn. Howard Maschmeier, WNHC-TV New Haven-Hartford, after the affiliate board meeting in Hollywood last week. Board members viewed the new shows and appeared on a closed-circuit preview of the network's upcoming schedule.

## Network Television Billings

July 1960 and January-July 1960

For June report, see TELEVISION DIGEST, Vol. 16:32 p9

**July Billings Up 17.4%:** Network TV's July gross time billings rose to \$55.8 million—17.4% ahead of July-1959's \$47.5-million volume. Tvb's latest tabulation also shows that July bested all other 1960 months in surpassing yearago performance. (Previous leader: Feb., with a 13.7% gain.) July, normally the pickup month from summer slump, also showed an appreciable gain over June 1960's \$52.9-million business. The July-from-June gain pushed the cumulative volume to \$392 million—10.1% ahead of Jan.-July 1959's \$356 million.

CBS, as usual, was the dollar leader, both in July (\$23.4 million) and year-to-date (\$161.7 million). ABC, as usual, led the other networks in percentage gains: 49.3% for July over July-1959, 28.2% for Jan.-July 1960 over 1959's first 7 months.

Cumulative nighttime billings of the 3 networks rose 16% to \$275,773,376 from \$237,910,716 in Jan.-July 1959. Daytime billings sagged 1.7% to \$116,272,934 from \$118,284,861. In July vs. July-1959, nighttime billings gained 24.9% to \$39,878,981 from \$31,939,514; daytime increased 2.1% to \$15,931,977 from \$15,604,849.

### NETWORK TELEVISION

	July 1960	July 1959	% Change	Jan.-July 1960	Jan.-July 1959	% Change
ABC	\$12,529,660	\$8,391,470	+49.3	\$89,480,230	\$69,813,986	+28.2
CBS	23,475,841	21,269,782	+10.4	161,768,225	153,017,329	+5.7
NBC	19,805,457	17,883,111	+10.7	140,797,855	133,364,262	+5.6
Total	\$55,810,958	\$47,544,363	+17.4	\$392,046,310	\$356,195,577	+10.1

### 1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,004,107	18,959,323	52,912,130
July	12,529,660	23,475,841	19,805,457	55,810,958

Note: 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 basis of one-time rates or before frequency or cash discounts.

**CBC 'Freezing' Affiliates:** CBC moved promptly to officially tie up its 46 English and French-language TV network stations as a sequel to a no-raiding warning by Board of Broadcast Governors to sponsors of a private TV network.

At hearing on proposed rules for TV network operations, BBG said it will not allow the publicly-owned CBC network to be displaced by a private TV network in any area. CBC Pres. Alphonse Ouimet said CBC needs affiliated stations to provide a national service and BBG said CBC would be guaranteed prior right in all areas.

CBC and affiliated stations at an Ottawa meeting Sept. 10 adopted a written affiliation agreement to replace the verbal understandings under which the private stations have received network service for last 7 years. Contracts are due to be signed by Jan. 1 and a 15-member joint advisory committee of CBC and affiliate representatives will be set up to deal with such matters as program schedules and commercial requirements. Contract details are not likely to be made public before signing.

BBG proposed network regulations and defined a network to include stations "affiliated by agreement to carry

film or other mailed programs" as well as live interconnections.

BBG said it will give preference in awarding a network franchise to applicants (1) which are wholly Canadian-owned, (2) which guarantee live programming through interconnection, (3) which propose to link the largest number of stations.

Under the proposed BBG regulations, network licenses would be limited to 5 years and affiliation agreements would require BBG approval. Network licenses would be canceled if content of programming failed to adhere to the 55%-Canadian-content rule.

BBG hopes to hold final hearings on the proposed network regulations Sept. 26 in Ottawa and plans to hear applicants for network licenses in November or early December.

## NETWORK SALES ACTIVITY

### ABC-TV

**Hawaiian Eye**, Wed. 9-10 p.m., participations eff. Oct. *Warner-Lambert Pharmaceutical* (Lambert & Feasley)

**Roaring 20s**, Sat. 7:30-8:30 p.m., participations eff. Nov. *Colgate-Palmolive Co.* (Ted Bates) *Carter Products* (Ted Bates) *American Chicle* (Ted Bates)

**Daytime programming**, Mon.-Fri. participations eff. Oct. & Nov.

*Grocery Store Products* (Ted Bates) *Bon Ami* (Cole, Fischer & Rogow) *Brillo Manufacturing* (J. Walter Thompson) *Mystik Adhesive Products* (George H. Hartman) *Sterling Drug* (Dancer-Fitzgerald-Sample)

### CBS-TV

**National Automobile Show**, Sun., Oct. 16, 6-7 p.m. one-shot special. Full sponsorship. *Reynolds Metal* (Clinton E. Frank)

**The Magic Land of Allakazam**, Sat. 11-11:30 a.m., full-sponsorship eff. Oct. *Kellogg* (Leo Burnett)

**The Gershwin Years**, Sun., Jan. 8, 8-9:30 p.m., one-shot special, full-sponsorship. *General Electric* (BBDO)

### NBC-TV

**White Papers**, 60-min. prime-time specials beginning Nov. 29, participations. *Timex* (W. B. Doner)

**Pro Football**, Sun. afternoon participations eff. fall 1960. *Minneapolis Brewing* (Knox Reeves) *National Brewing* (W. B. Doner) *Anheuser-Busch* (Gardner) *Pearl Brewing* (Tracy-Locke) *Phillips Petroleum* (Lambert & Feasley)

**Outlaws**, Thu. 7:30-8:30 p.m., *Riverboat*, Mon. 7:30-8:30 p.m., *Dan Raven*, Fri. 7:30-8:30 p.m., participations eff. fall 1960. *Brown & Williamson Tobacco* (Keyes, Madden & Jones)

"The Real West," *Project 20* special, 60-min., March 1961, full-sponsorship *Savings & Loan Foundation* (McCann-Erickson)

## Advertising

### More about

**RATINGS vs. CORPORATE IMAGE:** One of the most popular legends cherished by the critics of TV is that programming is so "bad" because all sponsors ever seek is the highest possible rating. Actually there appears to be a steady lengthening of the list of advertisers who, when they go shopping for a new TV show, search for something other than mass audience (see p. 3).

"Entirely too much emphasis is placed on ratings," reported a recent *Printers' Ink* study of admen's opinions. Major findings: 80% of ad execs believe program ratings are over-emphasized; 37% say they are declining in importance. As one agency vp put it, "The race for ratings has killed off many excellent programs & ideas."

"The favorable image created by sponsor identification with high-quality TV programming raises many a company's own rating in the eyes of the public," Herminio Traviesas, BBDO TV-radio vp, told us recently. And Standard Oil (N.J.) Pres. M. J. Rathbone has stated: "Selective TV programming buys can bring the sponsor far more lasting sales success, which may exceed the beneficial results of participation in Western or adventure series."

Image projection through cultural-appeal TV shows isn't just a matter of dropping ordinary TV commercials into an available public-service show, or of worrying about overnight Arbitron ratings. The traditional role of sponsorship shifts considerably from the field of pure advertising to the field of public relations.

"By making a public-service contribution, the advertiser such as Shell Oil or Ford Motor Co. (sponsors of Leonard Bernstein concerts on CBS-TV this fall) serves a tremendous public relations function, irrelevant to the size of the TV audience," we were told by John Karol, CBS-TV vp for special projects. Or, as Prudential Insurance Pres. Carroll Shanks put it: "We pay attention to ratings, but they are only one way of measuring the medium."

### Ratings Still Watched Closely

Cultural shows have to pull some weight in the advertising boat, however. "There isn't a sponsor in existence who doesn't care at all about ratings," insists NBC-TV special projects dir. Edwin Friendly Jr. "Although an increasing number of advertisers are considering side benefits, safety in numbers is a tried-&-true axiom."

Networks today recognize the importance of the right commercial in public-affairs or educational shows. "We would not sell *CBS Reports*, or any other public-affairs specials, to hard-sell sponsors," stated CBS's Karol.

Agencies are not averse to the theory. Generally, the sponsor "who wishes to distinguish his image is one who uses a softer-sell approach," remarked BBDO's Traviesas. Since commercials in a major public-service special are not scattered 1-min. participations but often a few longer messages, "the company has time to deliver a corporate message, rather than just sell a product," he added.

Does image-projection TV advertising at the expense of big ratings really work? Although networks, advertisers & agencies admit that more research is needed, certain facts have been established. "We have discovered at Du Pont that those who watched *Show of the Month* had a more favorable attitude toward the company than they held before the series," observed Du Pont ad mgr. Charles Crowley. A recent NBC study, evaluating sponsor advantages in buying semi-cultural specials based on Sinclair Oil's purchase last fall of the one-shot "Music from Shu-

bert Alley," concluded (on the basis of both consumer & dealer response to the show) that "specials give the sponsor tremendous advantage in changing consumer attitudes."

A dramatic example of this sort of success can be found in the recent TV experience of Standard Oil Corp. (N.J.) which literally rescued NTA's taped, critic-kudoed *Play of the Week* from extinction. "The volume of mail from stockholders, TV fans and the extraordinary press reception is but one indication of reaction," said TV-radio dir. Arthur Lamb. "We are amazed at the number of people who say they are switching to Esso because of it."

Helping the cause of image-building-type shows is the fact that networks have re-adjusted schedules since last fall's quiz scandals. With many such shows moving from the "cultural ghetto" of Sunday-afternoon slots into prime-time exposure, a growing number of advertisers are willing to venture into cultural program territory. "There is a hard core of people who always want to know what is going on in the world and the number is constantly increasing. These people, in the above-average income & intelligence group, buy a number of products that are out of range for most viewers. This makes them the perfect audience for companies that manufacture these products," stated ABC-TV news & public affairs vp John Daly.

### Attractively Priced for Modest Budgets

Traditionally, the talent (if not time) costs of cultural & public-affairs shows have been lower than those of typical entertainment vehicles. This makes their over-all costs attractive to many advertisers with modest TV budgets. Coupled with other advantages of specialized audience, public-affairs or informational shows sometimes emerge as the ideal TV buy. A good case in point is North American Van Lines, whose annual ad budget has been in the \$800,000-\$1-million class. NAVL is now entering its second year as a sponsor of ABC's *Championship Bridge* series.

The company program relationship is a rare example of what NAVL merchandising mgr. C. D. Pease calls "the perfect fit." A 60% correlation was established, in a recent NAVL survey, between "bridge players" and "people who moved within the past 5 years." Pease told us: "The *Championship Bridge* program not only provides a selective audience, it contains a mood of challenge & of silent, intelligent contemplation. The quality of mood relates to the image we try to project. We make sure our commercials are psychologically integrated with the nature & tone of the program." NAVL relies on the fact that bridge fans watch the show devotedly and "will remember in October a hand that was played in May," remarked Ruder & Finn (PR agency for NAVL) acct. exec. Richard Cunningham. "Our aim is to convince these bridge types that we are their kind of people, and we can best serve them."

Actually, the progression of major & minor advertisers into image-building public-service programming is only half the picture. A cyclical trend may be noted in the area of program choice. While new companies are being attracted toward prestige-heavy specials & series (Brown & Williamson Tobacco Co. into NBC's "Journey to Understanding," etc.), several advertisers who usually walk a red-carpet path in advertising have expanded into bread-&butter shows (Du Pont into ABC's *Adventures In Paradise*). The cycle reflects a growing interest in TV diversification (such as Ford's 1960-61 program spread, which includes everything from Leonard Bernstein culture to Tennessee Ernie Ford's high-rated corn). Commented NBC's Friendly: "The major sponsor today hopes to reach the largest possible audience, both in size & type."

**Adman Blasts Ads:** The pelted & belted ad medium caught another barrage last week—this time delivered by one of its own, Dodge ad & sales promotion mgr. W. D. (Pete) Moore. Addressing the Los Angeles Ad Club, Moore teed off: "It's bad enough that too many of our ads are unbelievable. But must they be downright ridiculous? Must we flood our media with phony consumer tests & 'unretouched photos?' It's all too obvious that we are only reaching the ultimate in insulting a consumer's intelligence."

Moore plastered his charges of misleading & deceitful advertising on all media, noted that "print isn't the only violator of 'truth.' Take TV," he offered. "Remember those shots of cars roaring up what seems or is purported to be a 60° incline? It's a very simple trick—just tilt the camera." Copywriters, he charged, are now "stuffy, bored and hidebound" and are producing copy that has become "unchanging, tired and mired in a rut of conventionality." He urged the industry to take steps to rectify image of grey-flannel adman, to spin ad copy from facts, not fancy.

"Lack of honesty in advertising hurts in many ways," he declared. "People resent it. And resentful people are poor customers. Russian roulette with truth devalues the advertising dollar faster than Khrushchev in the White House."



**FTC's Pilot 'Truth' Conference:** First of its kind, a "special pilot conference" for Cincinnati businessmen will be conducted by the FTC Sept. 28 at the Hotel Sheraton-Gibson Roof Garden.

Purpose of the session, according to FTC Chmn. Kintner, is to "promote truthful & non-deceptive advertising on a community-wide scale." If it's successful, he said, similar sessions will be conducted in other major markets.

Some 2,000 firms have been invited to send representatives to hear presentations by 3 FTC officials: John R. Heim, dir. of the Bureau of Consultation; William D. Dixon, legal advisor on FTC guides; William H. Brain, guide administration attorney. Luncheon speakers will be Heim and Victor H. Nyborg, pres. of the Assn. of Better Business Bureaus.



Self-policing ad agency policy should be continued in the battle against deceptive practices, FTC Chmn. Earl W. Kintner told the Advertising Men's Post No. 209, American Legion, in N.Y. Sept. 12. "The existence of the FTC presents a meaningful alternative to govt. control of markets," stated Kintner, "and it is your public-service duty to call to the attention of the FTC deceptive advertising by your competitors." Kintner reminded that false advertising hurts the consumer and "gives rise to demands for drastic measures of reform."



**Ad People:** William A. Taylor, Robert Scurlock and Frederick A. Mitchell named Dancer-Fitzgerald-Sample vps . . . Frederic W. Wile named Advertising Council Pacific Coast operations managing dir.; Mrs. Lavinia S. Schwartz appointed Midwest operations managing dir.

## Obituary

James Duncan Webb, 51, president of C. J. LaRoche Co., died Sept. 15 in Greenwich (Conn.) Hospital after a short illness. He had formerly been a Young & Rubicam vp. Surviving are his wife and 2 daughters.

Sad reality of TV business—that when an account at a small agency prospers greatly and increases its ad spending to blue-chip proportions it often shifts to a now-interested big agency—is likely to occur soon at N.Y.'s W. B. Doner Co. Doner handles U.S. Time Corp. (Timex), which has grown in the past 7 years from a modest \$250,000 annually to its present level of \$3.5 million, mostly in TV. Last week, Timex officials were quietly interviewing new-business executives from several major agencies, and an account switch was almost certainly in the works. Another clue was furnished by the resignation, effective Sept. 16, of Doner TV-radio vp Sylvan Taplinger, who had originally persuaded Timex to take a big-budget (for Timex) plunge in network TV jazz specials, and in one-shots starring such big TV names as Frank Sinatra and Bob Hope. The most recent Timex purchase is a series of 6 public-affairs shows on NBC-TV.

Heavy network & spot TV campaign will be used this fall for Esquire shoe polish, manufactured by Knomark. Co-sponsorship of 2 CBS-TV prime-time fall shows, *Witness* and *Face the Nation*, are the TV keystones. In addition, IDs have been set in 15 U.S. markets and 60-sec. commercials are scheduled for exposure in 8 Canadian markets. Radio & print media make up the remainder of the campaign.

New idea in press previews, the "environmental screening," was tested by ABC-TV during Sept. 9-11 weekend to preview its Desilu-produced *Guestward Ho!*, which debuts Sept. 29 under Ralston Purina and 7-Up sponsorship. The show deals with a Madison Ave. couple's adventures running a New Mexico dude ranch. So ABC corralled a posse of tenderfoot N.Y. editors, and whisked them up the Hudson to the Stanbrooke Dude Ranch to meet show talent and executives of J. Walter Thompson and Guild, Bascom & Bonfigli agencies, and to see the show's pilot. Editorial consensus: Reality (in the form of the slickly-run, TV-equipped Stanbrooke) and situation comedy (in the show's strictly-forLaughs dude ranch) are as far apart as ever.

NBC-TV will again play patron to Gian-Carlo Menotti, marking the 4th time the network has commissioned the composer to write an opera for TV. The new 60-min. work is expected to be ready for the 1961-62 season. Also due next season is a CBS-commissioned musical play by Menotti, to be delivered next Feb.

NTA has cracked through quickly in 17 markets with its recently-acquired 20th Century-Fox post-1948 package. After the initial sale to WNTA-TV N.Y., sales in the following big-city markets were scored: WRCV-TV Philadelphia, WRC-TV Wash. D.C., WCKT Miami, KTVI St. Louis, among others. In practically all cases, sales were made at prices "from 35-to-60% above prevailing rates," reported NTA sales vp E. Jonny Graff.

Italian TV-radio network RAI has opened a North American office in N.Y. to exchange ideas, talent and technical facilities with TV-radio companies in the U.S. & Canada. RAI exec. vp Giorgio Padovano will head the office, in the Corning Glass Bldg. at 717 Fifth Ave.

North American distribution rights to German-made IBAK closed-circuit TV systems have been obtained by newly formed Inspectronics Ltd., Brantford, Ontario. Pres. D. O. Johnson says his firm will operate only in Ontario, will sell operating rights in other Canadian provinces and in the U.S. The IBAK systems are specially made for underwater survey & salvage operations, for studies of pipes & tubes.

## Stations

**50th ETV Station on Air:** Educational TV reached a major benchmark last week. WFSU-TV (Ch. 11) Tallahassee began program tests Sept. 13, achieving the distinction of being the 50th non-commercial ETV outlet. It brings total number of U.S. TV stations operating—commercial & non-commercial—to 572 (483 vhf, 89 uhf).

Debut of the new station at the U. of Fla. is auspicious for another reason. It's Florida's 5th ETV station and will soon be the last link in an interconnected state network which is by far the most elaborate single-state ETV set-up in the U.S. (Vol. 15:3 p4).

The new station, with a 10-kw GE transmitter, GE antenna & 777-ft. Klein tower, is owned jointly by the Board in Control of Fla. and the Fla. State ETV Commission. It's headed by University Bestg. Services dir. Roy Flynn, with Donald E. Wheeler as program dir., R. L. Puckett studio supervisor and W. E. Ragsdale chief engineer.

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Hurricane Donna damaged antenna of WFLA-TV Tampa, her high winds knocking out the north & south elements, but the station continued operating with reduced coverage. Other Fla. TV stations in the path of the hurricane have not reported any damage to FCC but some radio stations were not so fortunate. Knocked off-air by loss of antenna, water damage or power failure were: WRMF Titusville, WNOG Naples, WDBO Orlando, WMFJ Daytona Beach, WGMA Hollywood, WONN Lakeland, WDCL & WAZE Clearwater, WPIN St. Petersburg, WLBE & WBIL Leesburg, WJCM Sebring, WABR Winter Park, WHAN Haines City, WDBF Delray Beach, WPOM Pompano Beach, WSBD Homestead, WKAT Miami Beach, WAMR Venice, WKIZ Key West. Most of the stations returned to the air after a short time using temporary antennas & auxiliary power sources. Recently-built WINQ Tampa, due on the air shortly, lost all 3 of its towers. Other early reports had WGAI Elizabeth City, N.C. suffering loss of its antenna and WSAR Fall River, Mass. off the air as a result of the storm.

Fla. Defense FM Network performed brilliantly during Hurricane Donna's depredations, FCC reported in a special public notice. The network broadcast 150 bulletins daily in 3 languages for an average of 6 hours a day. The messages were rebroadcast by 25-30 AM stations. It was the network's first emergency test. Some 30 such state FM networks now operate, and there are plans to link all of those from Fla. to Me.—frequently a hurricane path.

NAB Editorializing Committee, meeting in Washington last week, came up with a 4-point program to help stations: (1) Compilation of examples of editorialization results. (2) Revision of NAB's *Editorializing on the Air* to show latest techniques. (3) Frequent mailings of case histories. (4) Compilation of problems. NAB staff was also told to look into the idea of a seminar. NAB research mgr. Richard M. Allerton reported on NAB's survey of the extent of radio editorializing which will be distributed to members in Oct. TIO Dir. Louis Hausman described a survey which showed that 30% of TIO members editorialized; the study will be sent to NAB members. Co-chairmen of the committee are Joseph E. Baudino, Westinghouse Stations, and Daniel W. Kops, radio WAVZ New Haven.

WFAA-TV Dallas may also identify itself with Ft. Worth under a waiver granted by the FCC.

Miami's Ch. 6 should go to drive-in theater operator South Fla. Amusement Co., according to an initial decision issued by FCC examiner Forest L. McClenning. Broadcast experience and strong degree of integration of ownership & management were the deciding factors against 2 competitors. Pres. of South Florida is Sherwin Grossman, who was also pres. of WBUF-TV (Ch. 17) Buffalo, N.Y. which he built and operated from Aug. 17, 1953 until Dec. 30, 1955 when the station was sold to NBC (Vol. 11:11 p3). Competitors were Publix TV Corp., headed by Miami attorney Charles Danton, and Coral TV Corp., whose pres. is ex-Miami Beach Sun publisher Leon McAskill.

NAB's new Freedom of Information Committee, appointed last week: Chmn. Frank P. Fogarty, Meredith stations; Campbell Arnoux, WTAR-TV Norfolk; John Charles Daly, ABC; Richard O. Dunning, KHQ-TV Spokane; John S. Hayes, *Washington Post* stations; Theodore F. Koop, CBS; William R. McAndrew, NBC; Stephen J. McCormick, MBS; August C. Meyer, WCIA Champaign, Ill.; Sig Mickelson, CBS; David C. Moore, Transcontinent stations; D. L. Provost, Hearst stations; Weston C. Pullen Jr., *Time* magazine stations; Robert M. Purcell, radio KFWB Los Angeles; Lewis W. Shollenberg, CBS; James W. Woodruff Jr., WRBL-TV Columbus, Ga.

Latest station to go single-rate is KOB-TV Albuquerque, following a growing trend among outlets to follow a Station Reps Assn. plan (Vol. 16:37 p12). In a notification to ad agencies of the rate-structure change, KOB-TV suggested that agencies should demand that "every station be honest with itself and take a firm stand on this vital issue."

Complaints against CHEK-TV (Ch. 6) Victoria, B.C. will be probed Sept. 15-16 by 5 BBG members in hearings in Vancouver. There have been public protests that the signals from the Victoria station have ruined reception of adjacent-channel stations in Seattle. The BBG also will air charges that CHEK-TV has violated an understanding not to solicit advertising in Vancouver.

Next Canadian license hearings will be held Sept. 26 in Ottawa. BBG will hear applications for a new CBC French-language TV outlet at Ste. Anne de la Pocatiere, Que., and for 6 privately owned satellites. Two applications have been filed for a satellite at North Battleford, Sask., and one each for Cameron Mt. & Edmundston, N.B.; Fox River, Que.; Pivot, Alta., and Lumby, B.C.

AMST Technical Committee, under Chmn. Henry E. Rhea, Triangle Stations, meets in Washington Sept. 22. The Association's board, headed by Jack Harris, KPRC-TV Houston, will hold a one-day session in Washington Oct. 18.

"Creative Selling" is theme of this year's Broadcasters Sales Seminar at the U. of Mo. Sept. 23. Three symposiums will present talks by 13 Mo. broadcasters, admen & reps.

Grant of Ch. 51 Louisville to Kentuckiana TV Inc. has been recommended by FCC examiner Annie Neal Hunting following consolidation of Kentuckiana and competitor United Electronics Labs Inc.

Addition of Ch. 9 to Redding or Susanville, Cal. has been made subject of FCC proposed rule-making. Either assignment would require the substitution of Ch. 13 for Ch. 9 in Alturas.

Major radio sales approved by FCC: WAKE Atlanta for \$500,000 to WAKE Inc. and WYDE Birmingham for \$525,000 to WYDE Inc.—both buyers headed by Ira Herbert; WQXI Atlanta for \$1.6 million to *Esquire* magazine.

Canada's upcoming independent CFTO-TV Toronto hopes to begin operations Jan. 1 as the Dominion's first color station. Pres. Joel Aldred has also invited his CBC-TV competitor, CBLT, to help make Toronto a color city, has offered CBLT the use of CFTO-TV's still-building \$4.5-million plant to train crews in color operations. Aldred plans 2-4 hours of color programming daily, subject to approval of the govt., which so far has prohibited color-casting. If CFTO-TV is unable to get the green light for color broadcasting, it will use its color facilities to produce commercials for U.S. telecasters.

Off-again-on-again grant of Ch. 3 Prince George, B.C. to CKPG-TV Ltd. (radio CKPG) was on again last week. BBG originally recommended the grant May 24 (Vol. 16:23 p6), then changed its mind July 5, deferring its recommendation pending a survey of northern British Columbia. Last week it said CKPG-TV should go ahead with the Prince George station and its plans for satellites to serve adjacent areas. The recommendation awaits govt. approval.

Educational KTCA-TV St. Paul-Minneapolis disputes the claim of newcomer KERA-TV Dallas that it is "the first ETV station equipped to broadcast in color" (Vol. 16:37 p8). KTCA-TV gen.-mgr. John C. Schwarzwalder counter-claims: "KTCA-TV has been an ETV station equipped to broadcast color since Sept. 1957 and has been broadcasting color since Sept. 1958."

Only radio WILD & WMEX remain with licenses unrenewed in FCC's consideration of Boston-area payola charges, after the recent renewal of licenses for WHIL, WTAO & WEZE. WORL had been renewed earlier (Vol. 16:31 p15). It's understood that FCC hasn't completed study of WILD & WMEX.

RCA has shipped TV tape recorders to WAVE-TV Louisville, WKJG-TV Fort Wayne, KOAM-TV Pittsburg, Kan.-Joplin, Mo., 2 to NBC in Washington, one to XET-TV Guadalajara. It also sent one color unit to TvB, N.Y., 2 color units to NBC in Burbank. One color camera was shipped to WOR-TV N.Y.

Two new pamphlets for candidates are being sent by NAB to member stations, extra copies available at 5¢ each: *Is Your Hat in the Ring?* for radio, *Campaigning on TV* for TV. They're designed to help candidates "present their views clearly & convincingly in best American tradition."

"New Developments in Video Recording" has been prepared by General Precision to describe & illustrate tape-to-film transfer, spot wobble, alternate synchronizing generator. The 4-page brochure is available from GP's GPL div., 63 Bedford Road, Pleasantville, N.Y.

NAB best seller is the 5th edition of *Engineering Handbook*, published by McGraw-Hill. As of late August, 1,316 copies had been sold at the bookstore price of \$27.50. NAB itself bought 2,500 copies for free membership distribution, offered copies to new members at \$16.50.

TV-radio observance of UN Day Oct. 24 will be urged by NAB in letters to all stations. NAB's cooperation in promoting objectives of the world organization was pledged by Policy Committee Chmn. Clair R. McCollough at a N.Y. meeting with the U.S. Committee for the United Nations.

"In Reference to Radio" is the cover title of a new NAB educational packet intended for distribution to educators & librarians by NAB radio members. Available from NAB at \$1 per copy, the packet contains 9 sections covering everything from radio's history to NAB's Code.

## Programming

Eddie Albert's *Kaiser* contract, to serve as a special advisor on cultural & theatrical projects to Kaiser Industries, triggered an argument between Albert and Bob Banner, exec. producer of the CBS-scheduled *Candid Camera* series. Although Albert holds a contract with the show for his services as host and has filmed at least one episode, Arthur Godfrey got the job. Banner said the situation was due to "contract complications." Albert, through his press agent, Arthur Jacobs, stated that he was "ready, willing & able" to go to work, and denied that his contract with industrialist Henry J. Kaiser was in conflict with his *Candid Camera* duties.

Computer-written Western, authored by an IBM computer at MIT, will be performed on CBS-TV Oct. 26 during the premiere of the new series of science specials which will be sponsored by American Machine & Foundry. The no-dialog Western (actually, a simplified vignette with such familiar ingredients as a bank-robber, a villain and a saloon) is being used to illustrate the near-human "thinking" abilities of complex computers. MIT technicians originally fed a basic Western plot into the machine, gave it some 50 plot variations to play with, and told the machine to start writing. It did, producing several all-action scripts with various endings (sheriff shoots bandit; bandit shoots sheriff; they shoot each other; etc.). CBS-TV picked the best script (happy ending), and filmed it with professional actors. Could the machine write Westerns with dialog too? Yes indeed, MIT informed CBS, but it would take a little longer.

TV premiere of theatrical film, Robert Raisbeck-produced "11th Commandment," will be telecast on WPIX N.Y. Sept. 23. Raisbeck has so far failed to find a national distributor for the 83-min. anti-Communist film and is hoping that TV publicity will provide "the perfect showcase." The movie, filmed in Hong Kong and Formosa, attempts to point out the evils of Soviet influence in Asia. By no coincidence, the one-shot telecast is scheduled to premiere while Khrushchev is at the UN.

Voice of America programs are being produced by U.S. radio stations in a series of local documentaries that are intended to tell grass-roots stories of American communities to overseas listeners. VOA dir. Henry Loomis reported that 18 stations (ranging geographically from KFRE Fresno to WNBF Binghamton) already are participating in the program and 9 more have lined up for VOA shows in the fall. Examples of on-the-scene community reports: "Fourth of July 1960" (WFIL Philadelphia), "Portrait of New England" (WBZ Boston), "Do Texans Brag?" (WBAP Ft. Worth), "Amana Story" (WMT Cedar Rapids).

End of a kiddie era will be marked Sept. 24 when 13-yr.-old *Howdy Doody* takes a final 60-min. TV bow. The first TV show to cater exclusively to kids, *Howdy Doody* was becoming an increasingly difficult problem for the sponsor. ("Kids just don't buy products," stated one adman to program creator Bob Smith; "we prefer shows that appeal to audiences aged 2 to 102 years.")

Public service idea: WOOD-TV Grand Rapids, Mich. and 8 colleges & universities will team up on a new educational series, *Ten O'Clock Scholar*, to be telecast 5 times weekly starting Sept. 19. The participating schools: U. of Mich., Mich. State U., Central Mich. U., Olivet College, Hope College, Calvin College, Aquinas College, Grand Rapids Junior College.

## Film & Tape

**Arnaz, Leeds Split:** Desilu Productions Pres. Desi Arnaz and exec. vp Martin Leeds, once one of the most successful production combinations in Hollywood TV film, reached the parting of the ways last week after 7 years during which Desilu grew from a small company to a TV-film power.

Because attorneys for each were still working out the settlement of Leeds' contract, and Arnaz's buyout of Leeds' 35,000 shares of Desilu stock (worth \$367,500 at the Sept. 16 closing price of 10½), the principals were sticking to a promise not to discuss reasons for the rift.

What precipitated the breach was no one act by either Arnaz or Leeds, but a growing difference and clash over policies. Our information is that Leeds felt he was handicapped by Arnaz's interference on policy, and that Arnaz resented what he considered a "too tough" attitude on Leeds' part in business negotiations. This probably triggered the breach, although there were other factors, such as Arnaz's prolonged absences from the studio.

Once the settlement is signed, Arnaz will undoubtedly take over many of Leeds' duties, with other chores being assigned to Bernard Weitzman, vp in charge of business affairs. Arnaz has already canceled a trip to South America he had planned for this week.

Leeds receives \$135,019 a year salary, and his contract has approximately 3 years to run.

## NEW YORK ROUNDUP

Automobiles are the "fastest-growing" category of advertisers in TV syndication market, according to a recent Ziv-UA study. Auto dealers account for 25% of advertising on Ziv syndicated shows at present as compared with 8% 3 years ago. The study concludes that automobiles "will emerge as the 4th most prolific user of syndication, by the end of this year" trailing only food, tobacco & brewing.

**Freddie Fields Associates Ltd.**, a new company formed in N.Y. last week by former MCA vp and dir. Freddie Fields, will handle talent management & production for TV, motion pictures and theater. Fields plans to open a West Coast office soon.

**UAA reported** increasing sales of feature films as one-shot specials in individual markets last week: "Adventures of Mark Twain" (4 markets), "Olympic Cavalcade" (1), "The Jazz Singer" (1), "Yankee Doodle Dandy" (5) are among the properties sold.

**MCA-TV began** syndication sales on *M Squad*, formerly on NBC-TV, last week with 3 markets: WPIX N.Y., WGN-TV Chicago, and WBRE-TV Wilkes-Barre.

**WNBC-TV N.Y.**, will dress up its month-long *Autumn Harvest* series of post-1950 foreign films with a colorful gimmick: Denise Darcel. She'll serve as hostess-narrator for the film festival, scheduled to begin Sept. 18. The films, from Italy, France & England, showcase such stars as Rosano Brazzi, Alec Guinness and Anna Magnani.

**WOR-TV N.Y.** will debut a package of renovated "Our Gang" comedies Sept. 19 under the name *Mischief Makers*. "Our Gang" shorts are also distributed by Interstate for Allied Artists and by MGM-TV (Vol. 16:37 p4).

Peter Cooper appointed Robert Lawrence Productions exec. producer . . . Arthur Gloss named UAA asst. gen. sales mgr.

## HOLLYWOOD ROUNDUP

MGM-TV makes commercials and its commercial & industrial film dept. is "now far more active than at any time in the past," TV vp George T. Shupert told us last week. Under the direction of Tom Curtis, the MGM-TV dept. has been "steadily expanding both in terms of creative personnel and volume of business," and the commercial-industrial sales volume for 1960's first 8 months "has exceeded sales volume for the entire year of 1959," Shupert added. In our report on major movie studio TV activity last week (Vol. 16:37 p4) we referred to MGM's past commercial operations but omitted its present ones.

**Universal-International** exercised its "favored nation" clause with Screen Actors Guild, exchanging its original deal with SAG for the same one negotiated by the Assn. of Motion Picture Producers with the Guild. Thus UI escapes payment on post-1948 movies sold to TV. Instead it will give the Guild \$350,792 as "past service payment." UI will pay 6% of total gross receipts from distribution of post-Jan. 31, 1960 movies to TV, after deduction of 40% for distribution expenses. If there are outright sales to TV, the deduction would be 10%. UI's original deal with SAG was signed last March 1, allowing the company to continue production when SAG struck movie majors March 7.

**TV Producers Guild**, formed by a group of Hollywood TV film producers, is weighing future steps following outright rejection of its request for negotiations with the Alliance of TV Film Producers. The Alliance told TPG it doesn't feel TPG is a labor organization within the interpretation of federal labor legislation, inasmuch as producers are so strongly associated with management. TPG had sought residuals plus screen credit.

**Harman Productions Inc.**, Debbie Reynolds' TV company, has joined the Alliance of Television Film Producers. Harman plans 2 film series, in addition to the special Miss Reynolds recently taped for ABC-TV . . . Revue Studios is about to begin filming an action pilot, as yet untitled.

**Paramount TV** and producer Hal Hudson are developing 3 series to be co-produced by Paramount with Hudson's new independent company. Hudson plans 2 half-hour and one hour series, in drama, action & adventure formats.

National Academy of TV Arts & Sciences trustees will meet Sept. 24-25 in Scottsdale, Ariz., to discuss the awards structure and presentation plus the planned TV library and museum and an international TV festival.

**People:** Jack Forman, ex-CBS mgr. of film production administration, has become gen. mgr. of Samuel Goldwyn studios . . . Lloyd Richards will produce a segment of Desilu's *The Untouchables* . . . George Polk, BBDO vp in charge of program development and planning, is in Hollywood to see rough cuts of *The Tab Hunter Show* and *National Velvet*. Also here to see new product are Bob Anderson BBDO Detroit vp; Jerry Souers, General Mills executive from Minneapolis. . . . Harold Goldman, ex-NTA exec. vp, joined Famous Artists Associates, Beverly Hills, to develop an expansion program in all phases of entertainment, with emphasis on TV series and including an investigation of the possibilities of pay TV. . . . Producer Herbert Coleman is leaving Revue Studios, where he produced *Checkmate*, to form his own company for movie production. . . . Charles E. Skinner has resigned as business & industrial film div. vp at Filmaster Productions.

**THE PRODUCTION PATTERN SOLIDIFIES:** In the span of one decade, the era of the free-wheeling, small independent company in TV has come & virtually gone. Into its place has marched the big company, applying multi-million dollar operations to what was once a penny-ante business.

Three of the pioneer, once-small independents have survived & grown in the upheaval. Two of them—Revue Studios and Four Star Television—rate No. 1 & No. 2 in industry importance. The 3rd, Desilu Productions, hasn't nearly as much production, but it owns 3 studios which are rented to other companies.

But these are the exceptional successes. In the debris lie such trailblazers as Hal Roach Jr., McCadden Productions, Jerry Fairbanks (active only in TV commercials although he was one of the first to produce half-hour films), Jack Webb's Mark VII Ltd., Roland Reed, Louis Snader.

Among the one-series independents still dotting Hollywood are Don Fedderson Productions, Marterto Productions, Sharpe-Lewis Productions, Blake Edwards' Spartan Productions, Jack Chertok, Brennan-Westgate Productions, Stage 5 Productions, Toreto Enterprises and Filmaster Productions. But the vast bulk of production volume comes from the behemoths.

The reasons for the demise of so many pioneers are varied, but they boil down to the fact that if a company didn't join the trend toward bigness within the industry its chances of survival dimmed.

#### Gone But Not Forgotten

Ironically, Roach tried to expand but got into so many troubles in the attempt that he lost his studio.

When McCadden and Fairbanks lost their series they faded from entertainment-film scene.

Snader was a one-shot success, doing well with his 3-min. Telescriptions, but when these were finished, he couldn't repeat in other ventures, and vanished.

Even a veteran like Jack Webb never faintly approached, in other attempts, the success of his *Dragnet*. Today his TV operation is dormant.

Many a one-shot producer or promoter stumbled on the toe of ignorance in the 1950s, for much of what was done was trial-and-error. One producer filmed three 20-min. films, certain that this was to be the best length for telefilms. Another was just as sure that 45-min. films were the answer, but his financial advisers wisely counseled him not to go into production on that basis.

Through the 1950s, it was the consensus among those closest to the industry that TV film would follow the pattern of the movies, with a few companies to emerge dominant. That's the way it has turned out. In this growing trend to bigness, there are more & more alignments with TV's giants by one-series companies. (Examples: Producer Mike Meshekoff & Howard Duff made a co-production deal with Four Star on *Dante*. Chertok has a co-production deal with Revue on *Johnny Midnight*. Ann Sothern's independent company is in co-production deal with Desilu.)

There is every evidence that today's TV powers will continue to dominate the Hollywood picture now that the pattern has been established. Revue, one of the early film producers, paces the field with 17 series. Four Star, another veteran, is runner-up with 13. Next come 2 major movie studios' TV operations: Columbia Pictures' Screen Gems which has 9 series, and Warner Bros. with 7.

Of course, the answer does not lie entirely in mere size. Desilu learned this the hard way when it acquired RKO's 2 studios, which, with its Cahuenga studio, gave it 3 bases—and considerable overhead. Merely possessing

physical facilities isn't enough, and because Desilu doesn't have enough series to take care of the overhead, it's been busily wooing other companies to rent its lots.

Revue, operating in reverse of this procedure, waited until it had sufficient series to warrant a studio, then acquired the Universal-International lot.

Four Star's alert Pres. Dick Powell, renting space at Republic, has been thinking of buying a studio, is waiting for a good buy. But last time he mentioned it to us, he remarked, "There's no good studio on the market now."

The matter of space is curious. Paramount Pictures, for example, has considerable, but, one of the last studios to get into TV-film production, it today has only one series. MGM, a huge lot, has only 2 series of its own. In these situations, the studios seek to compensate for lack of production by renting space to independents.

#### Bigness Kills Creativity?

Some contend that the trend to bigness has stifled creativity & cut the latitude of early TV-film days. While some large operations do resemble a factory assembly-line, it's doubtful that any intelligent studio executive would snuff out a creative spark.

The trend to the big did undoubtedly bring more competition, and that's all to the good. But although the on-screen results may evoke skepticism about this in the casual observer, mediocrity is not necessarily the result of the present physical setup in Hollywood. Current quality may be due to the shortage of good talent in Hollywood—a shortage no one denies. It may be the result of unrealistic ad-agency or sponsor restrictions in some instances. Or it could be budget.

In any event the industry pattern appears to be established—with the preponderance of production to be handled by a few large independents, a few major studios and the networks themselves.

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**More Network Feature Talks:** Seven Arts Productions Ltd. is the latest distributor to join the act in discussing network-level deals for post-1948 Hollywood features. Although it is now launching syndication sales on a 40-title package culled from a 122-title group of post-1948 Warner Bros. features, network one-shot deals are definitely in the works. So we were told last week by 7 Arts Pres. David B. Stillman, who said that "at least one major color feature that will become available to us in Jan. 1961" is going to be put up for network grabs. No price was mentioned by Stillman, although another major post-1948 feature (MGM's "An American in Paris") is being offered to networks with a \$1 million tag (Vol. 16:37 p6).

Among other 7 Arts activities announced by Stillman at a Sept. 12 meeting in N.Y.:

(1) Assembly & distribution of telefilm program packages, starting early next year.

(2) Diversified financing deals in motion pictures for theatrical release ("The Misfits," "Two for the Seesaw," "West Side Story," etc.), Broadway production (\$1 million backing for a musical version of "Gone with the Wind"), land development, phono records, etc.

(3) Offices, largely to handle the station-level sales of the first Warner Bros. feature group, have been opened in N.Y., Chicago, Dallas and Los Angeles.

Seven Arts was until recently known as Creative Telefilm & Artists Ltd., and was organized by Stillman and financier Louis A. Chesler, ex-chmn. of AAP (now the feature-distributing subsidiary of United Artists, UAA). Chesler is chmn. of the parent Canadian firm. Eliot Hyman, who was pres. of AAP, is pres. of 7 Arts.

## Television Digest

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**Personals:** Alfred R. Stern, NBC Enterprises vp, elected Cal. National Productions chmn., continuing as dir. of NBC international operations and chmn. of NBC International. He will also continue to supervise NBC's Enterprises div.

Campbell Arnoux, WTAR-TV & WTAR Norfolk, named chmn. of 8-member NAB TV Music Advisory Committee . . . Robert M. Purcell, head of Crowell-Collier's bestg. stations (radios KFWB Los Angeles, KDWB Minneapolis-St. Paul, KEWB San Francisco-Oakland), elected a vp of the parent company . . . Macey I. (Mike) Schaffer, ex-WAVY-TV & WAVY Norfolk, named ad & promotion dir., WFIL-TV & WFIL Philadelphia, succeeding Donn Winther, resigned . . . Omar F. Elder Jr., ABC-TV vp-gen. counsel, appointed chmn. of NAB Copyright Committee . . . Tom Carnegie named sports dir., WFBM-TV & WFBM Indianapolis . . . Edgar Holtz, FCC associate general counsel, resigns to enter private practice with Hogan & Hartson.

Warren P. Williamson III, ex-public relations dir., named gen. mgr. of WKBN-TV & WKBN Youngstown; Richard G. Newcomer promoted to public relations dir.; Jack Hartley, ex-WEWS Cleveland, named sales promotion mgr . . . Lorie M. Molnar, formerly with late Frieda Hennoch Simons, becomes an associate of Spear, Hill & Greeley, Washington TV-radio law firm . . . Henry Shur, ex-U.S. Patent Office examiner, joins Washington law firm of Dow, Lohnes & Albertson as patent, trademark & copyright counsel . . . Jack Van Volkenberg, son of former CBS-TV vp J. L. Van Volkenberg, named sales service mgr. of KNXT Los Angeles.

SMPTE's 1960 Journal Award was won by William F. Schreiber, Christopher F. Knapp & Norman D. Kay for a paper, "Synthetic Highs—an Experimental TV Bandwidth Reduction System," describing their work on this program at Technicolor Corp. (Vol. 15:14 p3).

Anti-payola consent decree, prohibiting payments to disc jockeys, has been signed with FTC by record distributor Mangold Distributing Co. & Marshall Enterprises Inc., 638 W. Baltimore St., Baltimore.

### Obituary

J. Cheever Cowdin, 71, former Universal Pictures chmn. for 13 years until 1949, died Sept. 15 of a heart attack in his office at the Pension Corp. of America, N.Y., where he was a vp. Surviving are his wife and a sister.

Meetings this week: La. Assn. of Bestrs. convention (Sept. 18-20), Sheraton-Charles Hotel, New Orleans • Assn. Canadienne Radio TV Francaise annual meeting (18-21). Speakers include Dr. Andrew Stewart, Board of Best. Governors chmn.; Murray Brown, Canadian Assn. of Bestrs. pres.; Alpine Inn, Ste. Marguerite, Que. • IRE national symposium on space electronics & telemetry (19-21), Shoreham Hotel, Washington • Atlantic Assn. of Bestrs. annual meeting (20-21), Amherst, N.S., Canada • Ill. Bestrs. Assn. annual meeting (22-23), Urbana-Lincoln Hotel, Urbana, Ill. • Advertising Federation of America 10th district convention (22-24), Little Rock, Ark. • Mich. Assn. of Bestrs. fall convention (22-24), St. Clair Inn, St. Clair, Mich. • IRE Professional Group on Bestg. 10th annual bestg. symposium (23-24), Willard Hotel, Washington, D.C.

Meetings next week: Assn. of National Advertisers workshop on advertising management (Sept. 28), Ambassador Hotel, Chicago • ASCAP West Coast membership meeting (28), Beverly Hills Hotel, Beverly Hills, Cal. • CBS Radio Affiliates Assn. annual convention (28-29), Waldorf-Astoria Hotel, N.Y. • Ala. Bestrs. Assn. annual fall meeting (29-Oct. 1). Rep. Oren Harris (D.-Ark.) & FCC Commissioner Robert E. Lee will speak, Stafford Hotel and U. of Ala. campus, Tuscaloosa • Minn. Bestrs. Assn. annual convention (30), Leamington Hotel, Minneapolis.

### Foreign

Castro completed seizure of all Cuban TV last week when his govt. officially took over the big 7-station CMQ-TV network along with its companion radio network, owned by Goar & Abel Mestre. The action was foreshadowed last spring when Castro froze the Mestres' personal bank accounts and seized the CMBF-TV network, which was 60% owned by CMQ (Vol. 16:15 p3). Goar Mestre recently has been headquartered in South America, where he has other TV interests. Official reason for Castro's long-delayed takeover of CMQ: The owners "abandoned" the plant and failed to keep it in proper working order.

VOA's new & powerful Liberian shortwave relay station near Monrovia will be designed by Page Communications Engineers under a contract awarded recently. The station will have six 250-kw and two 50-kw transmitters, and will relay programs to Africa, the Middle East & Central Europe. Power will be provided by two 1,750-kw diesel electric generators, and transmitter contracts are about to be let. Estimated cost of the entire project is \$12,627,000.

German commercial TV hikes up to a new top rate of \$4,500 per commercial minute next January. The new high will be collected by the Cologne station, a raise from its previous top of \$4,000 per minute. Other raises next year will be posted by the Stuttgart, Munich and Frankfurt stations.

British admen are protesting the recent rise in commercial TV rates. Justification by ITV interests for the rate increase is that the TV audience has grown and broadcasters are merely maintaining the original cost-per-1000. The hike in rate sends the present \$1,792 cost of the 15-sec. peak-time spot up to \$2,356. Spots of 30 secs. rise from \$2,576 to \$3,080.

Northernmost broadcasting station in North America will be CBC's CHAK, at Inuvik in the western Arctic. The 1-kw station will also be the first CBC station to broadcast regularly in the Eskimo language and CBC's first outlet inside the Arctic Circle.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**AD PRACTICES CODE FOR TV-RADIO-PHONO:** Industry-wide crackdown on retailers who insist on making deceptive ad claims is in the works, under aegis of EIA.

It will be accomplished through an EIA-drafted advertising practices code for consumer electronics industry, patterned after code adopted last summer by the American Home Laundry Assn. Go-ahead signal was given at last week's EIA fall conference at French Lick, Ind., when consumer products div. exec. committee approved proposal by its chairman, Motorola exec. vp Edward R. Taylor.

Draft of proposed rules will be submitted to committee at EIA winter meeting beginning Nov. 30 in San Francisco. If they follow pattern set by AHLMA code for washer-dryer advertising, they'll deal with such practices as phony "list price" comparisons, "was-is" price advertising, use of the word "free," bait ads, product claims, warranties. Other areas presumably to be covered: screen sizes, stereo claims, etc.

Laundry equipment code gets its teeth through enforcement by manufacturers. It's too early to see how it's working, but member manufacturers have stated they'll withhold co-op ad funds from dealers who don't follow rules.

In another EIA consumer-product action, the division exec. committee revived idea for public relations campaign for "home-entertainment products"—replacing the individual TV & stereo campaigns which never got off ground this year. Special committee will draft plans and report at EIA winter meeting.

**NEW JAPANESE ONSLAUGHT COMING?** Don't be lulled by apparent leveling-off of electronics imports. Japanese can compete with U.S. manufacturers in virtually any electronics market they choose—and their next choice probably will be TV.

This sharp & grim warning was sounded to electronics manufacturers at the EIA fall conference last week by Mark Shepherd Jr., vp of transistor-making Texas Instruments, in behalf of EIA's electronics imports committee. Notes of optimism in his report were few.

Last year's transistor-radio flood was only "the initial onslaught on domestic markets which will be felt by every segment of the U.S. electronics industry," he said. "As I see it, the present period is nothing more or less than a short & shallow breathing-spell for the U.S. industry."

"I strongly believe that the Japanese electronics industry will reassert its production advantages again & again in U.S. markets of its own choosing," he added. Japanese-made TV sets—particularly portables and color sets—will be merchandised here "in the most aggressive manner," he predicted.

Simple economic fact of life is that Japan must export to live. Drive for new markets, Shepherd pointed out, is necessitated by near-saturation of Japanese home market for radios and high cost of TV sets which places them beyond reach of many Japanese wage-earners. Export of TV sets, he said, offers Japanese electronics manufacturers "their most immediate hope of escape" from domestic marketing problems.

Can Japanese achieve same success in other electronics exports as in transistor radios? Said Shepherd: "They have the capacity to envision, design & manufacture quality merchandise, and their capabilities in this respect are increasing with each passing month. [Their] production facilities are the counterpart of many modern U.S. plants."

In addition to TV, Japanese electronics industry is preparing for mass invasion of U.S. business in components and testing & measuring equipment, has already substantially increased its share of U.S. market for components and industrial & commercial electronic equipment, he said.

Little relief seems forthcoming from Washington. EIA's petition for investigation of possible injuries to defense readiness by imports of Japanese transistors is currently under OCDM investigation. Even main-

taining status quo in tariff field involves a fight—EIA is strongly opposing move to reduce U.S. electronic product tariffs in forthcoming GATT negotiations in Geneva.

Charge that Japanese manufacturers are "dumping" tubes in U.S. at lower than domestic Japanese prices was made by EIA last week in separate move which seeks to invoke protection of Anti-Dumping Act of 1921. EIA asked Treasury Dept. to investigate whether law is being violated, pointing out that average factory price of tubes in Japan reportedly was 60.6¢ in 1959, while average factory selling price of Japanese tubes to U.S. importers was 26.4¢ in 1959 and 28¢ during first half of 1960.

(For other highlights of EIA's fall meeting, see story below.)

#### TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 9 (36th week of 1960):

	Sept. 2-9	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV .....	116,229	125,850	141,146	3,924,367	3,957,484
Total radio .....	293,802	314,846	313,098	11,054,831	9,627,704
auto radio .....	95,986	105,140	106,741	4,194,734	3,666,076

**ELECTRONICS GROWTH SLOWDOWN:** Military electronics manufacturers should expect to operate below capacity for the next 3-4 years. The "phenomenal yearly expansions" of this segment of the industry since the end of the Korean War are now over, and manufacturers should "adjust" to growth rates comparable with other parts of the industry.

So said RCA defense planning mgr. L. H. Orpin, chairman of EIA's military marketing data committee, in reporting to the EIA board on a survey of more than 50 military electronics marketing experts at the closing session of the manufacturer group's fall conference in French Lick, Ind.

Since the close of the Korean War, he said, demand for military electronic equipment has increased 15-25% a year. For the next 5-10 years, however, he said the increase will only be about 5-10%. Reasons: reduction in military aircraft, the nearly-complete status of air-defense systems, govt.'s concentration on relatively few electronic systems as it abandons practice of introducing many different types.

He cited these "promising areas" in which military electronics firms should concentrate during the relative lull: ballistic missile defense, development of "exotic weapons" ("death rays," etc.), new combat & military intelligence communications systems, electronics for civil defense (disaster control communications, radiation-detection instruments, civilian warning devices).

The military electronics industry, he said, may now have as much as 25% more capacity than it needs. For the current year, he stated, the electronics portion of the defense budget is about \$5 billion, of NASA's budget \$100 million, of FAA's budget \$700 million.

\* \* \* \*

#### In other developments at EIA's fall meeting:

Dr. Philip Lewis, of the Chicago school system, urged manufacturers to sell schools complete systems, instead of just TV equipment. The author of EIA's forthcoming *Educational TV Guidebook* stated that manufacturers should develop specialized TV sets for schools, since home entertainment sets don't meet school-TV requirements.

As for the future, he saw an educational market for a complete audio-visual instruction center—a classroom TV receiver, film & slide projector all combined in a single unit. He predicted a "very real future" for electronic teaching machines and for TV systems which permit library research by remote control—even including book page-turning mechanisms.

Five new EIA directors were elected: Representing tube & semiconductor div., Parker Q. North (pres., Pacific Semiconductors), J. F. Battey (gen. mgr., Clevite transistor div.), Marion E. Pettegrew (senior vp, Sylvania). Representing military products div., Dr. A. A. Farrar (asst. vp, Raytheon). Representing parts div., Edward Butler (sales mgr., Speer Carbon).

July radio retail sales, as given in our monthly table in last week's issue (Vol. 16:37 p16), were incorrect due to a transmission error. This is the radio production & sales table, Jan. through July, as corrected:

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January ...	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February ...	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March ...	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April ...	1,230,323	1,040,183	399,963	422,346	547,324	388,863
May ...	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June ...	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July ...	890,359	829,035	328,009	254,725	573,363	526,827
TOTAL	9,414,879	7,936,621	3,651,101	3,154,921	4,451,721	3,685,708

President Eisenhower has signed into law, effective Jan. 1, 1961, the excise-clarification bill (HR-12536) which adjusts tax rates charged to manufacturers whose price structure is based partly on local advertising charges (Vol. 16:36 p14). The new law permits manufacturers to deduct for tax purposes portions of the sales price represented by contributions to co-op ad funds—not exceeding 5% of the price.

Madison Ave. showroom for Magnavox is scheduled to open Sept. 19 on the ground floor of the new Union Carbide Bldg. The no-retail-sales showcase will offer the public a look at the complete Magnavox line. Location of the center came after a 3-year study of "traffic patterns as related to potential Magnavox customers," Pres. Frank Freimann stated. Magnavox thus joins such other manufacturers as RCA, Zenith, Emerson-Du Mont and Grundig-Majestic with public showrooms in midtown Manhattan.

"Radios—U.S. Production & Foreign Trade, 1949-59" is a new statistical study by the electronics div. of Commerce Dept.'s Business & Defense Services Administration. It's available for 5¢ from U.S. Govt. Printing Office and Commerce Dept. field offices.

**STEREO SALES GAINS CONTINUE:** Retail phono sales continued to soar high above 1959 levels in July, EIA figures show. In number of units, July 1960's sales were 15% ahead of those of July 1959.

Unit sales tell only part of the story, though. For the 7-month period Jan.-July 1960, more than 76% of phonos sold at retail were stereo units, as opposed to 51% in the same 1959 period. So, while 7-month unit sales this year were 21% ahead of last year, the retail dollar volume is somewhere between 33 & 40% higher than last year, because of the higher average price of stereo units. Retail sales of stereo phonos for the 7 months were nearly 90% higher this year than last.

Factory sales increased over 1959 in about the same proportion as retail sales, the figures show. The EIA figures below supersede all previous tables published in *TELEVISION DIGEST*; they contain revisions made by EIA after receipt of retroactive data from contributing firms:

#### PHONO FACTORY SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	118,400	341,329	459,729	184,147	177,336	361,483
February .....	92,649	324,666	417,315	164,873	188,750	353,623
March .....	63,264	242,523	305,787	119,075	168,117	287,192
April .....	30,962	142,409	173,371	47,153	125,111	172,264
May .....	36,793	146,176	182,962	33,356	89,827	123,183
June .....	69,293	198,407	267,700	44,976	152,900	197,876
July .....	70,992	222,559	293,551	44,591	158,668	203,259
<b>TOTAL</b> ....	<b>482,353</b>	<b>1,618,069</b>	<b>2,100,419</b>	<b>638,717</b>	<b>1,060,709</b>	<b>1,698,880</b>

#### PHONO RETAIL SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	150,688	368,964	449,923	231,429	159,214	390,643
February .....	102,063	347,860	448,128	171,127	156,477	327,604
March .....	61,249	249,497	310,746	139,577	140,075	279,652
April .....	41,503	152,141	193,644	94,226	118,197	212,423
May .....	39,734	141,080	180,814	70,228	82,765	152,993
June .....	44,925	165,339	210,264	66,979	100,982	167,961
July .....	58,787	180,949	239,736	82,742	124,979	207,721
<b>TOTAL</b> ....	<b>498,949</b>	<b>1,605,830</b>	<b>2,104,779</b>	<b>856,308</b>	<b>882,689</b>	<b>1,738,997</b>

RCA stereo show for public in Cleveland last week attracted more than 2,000 to displays & demonstrations at the Pick-Carter Hotel, was hailed a success by RCA & distributor Main Line-Cleveland. The public demonstration followed by one day an identical showing for some 1,000 dealers. The event marked RCA's first joint dealer-public introduction of home instruments, was conceived by Main Line-Cleveland Pres. William Shipley, and may prove the forerunner of similar RCA-distributor showings throughout the country.

"Stereo ousting TV in U.S. living rooms," reports London-published *Wireless & Electrical Trader*, adding: "There is in America a noticeable social trend in TV's location. It seems that the 'animated eye' is losing favor as a living-room unit and is being banished—or promoted; it depends on the life you lead—to recreation rooms, the den, the study or the bedroom. Its ubiquity is being reflected in the climbing sales of portable sets & the great attention being focused on the new 19-in. portables being introduced in the 1960-61 lines. Meanwhile, where once stood the 'telly' now stands the stereo. This has evolved into a definite living-room item, and this fact is reflected in the tremendous efforts being made to create sets which are fully furniture-styled to blend with room decor."

West German TV set production last year totaled 1,850,000 units, 20% higher than 1958. France's production was 500,000, up 33% from 1958.

**3 More Add Reverb:** Admiral, GE and Stromberg-Carlson made it virtually unanimous last week. This fall you'll be able to buy just about any make of stereo with reverb. The 3 manufacturers all use different approaches: Admiral dropped in 2 top-of-the-line stereo consoles with reverb; GE added the device to its existing top-end units; Stromberg will offer reverb as an accessory for any of its stereo consoles.

Admiral's 2 reverb stereo consoles highlighted a drop-in line of 3 stereo units and one stereo theater TV-radio-phono. The reverb consoles, including FM-AM tuner, list at \$575 & \$625. The stereo theater, with 23-in. TV, is priced at \$625. The non-reverb stereo drop-in, with AM-FM, is \$219.95.

Reverb—or "Resonant Stereo" as GE tradenames it—is one of 2 new features being added to GE's stereo phonos. The reverb feature is now included in GE's Mt. Vernon & Canterbury series, which also have "VacuMagic" vacuum cleaning of records. Another new feature incorporated in all GE consoles and 2 portables is "Record Saver," a cushioned groove along the front end of the phono cabinet which holds the record while the album jacket is being removed, preventing dust-attracting fingerprints.

Stromberg-Carlson's reverb accessory will be available late this fall at a "competitive" price, the company announced. It also announced a million-dollar ad & promotion drive paced by ads in general & hobby magazines.

\* \* \* \*

Zenith added 4 TVs to its line last week—19-in. "compact" consolets which will retail at \$239.95-to-\$249.95. Sales Corp. Pres. L. C. Truesell noted that the new "compacts" are styled for apartments & small homes and "occupy less space in the room arrangement than an armchair." The sets are 14-in. deep, use a 114° kinescope with safety glass.

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Andrea's 1961 TV line will be backed by the company's heaviest ad campaign in its history, the N.Y. firm announced. Included will be full-page ads for 11 consecutive weeks in *New York Times* and *World Telegram* and 13 weeks participation on radio WOR's daily *Dorothy & Dick* breakfast program.

Realigning its field sales force, GE TV receiver dept. has doubled its national sales districts and will increase from 6 to 12 the number of district sales representatives serving its distributor organization. The sales team will be responsible for guidance of distributors in the presentation of a full-line concept—both TV and stereo console phonos—to dealers.

Emerson will market an air purifier under the Emerson Ionator trade name, later this month. Granco Products, whose merchandising activities are handled by Emerson, had previously announced its entry into the field. The Emerson appliance will be priced at less than \$100.

Standard Kollsman Industries has formed subsidiary Kollstan Semiconductor Elements to manufacture crystal element subassemblies for the semiconductor industry. Standard Kollsman Pres. James O. Burke emphasized that the subsidiary is not producing transistors or diodes, "the field being far too competitive at this time. Rather, we are producing basic material forms—active elements used in the manufacture of transistors, diodes, rectifiers and other semiconductor devices." Kollstan Semiconductor Elements has its hq & production plant at Golden, Colo. Norman J. Egli is gen. mgr., Lee Droege, works mngr.

**Trade Personals:** Julius D. Winer, Capehart vp & dir. and pres. of its Dynamic Electronics div. (military & industrial electronics), elected president of Capehart, succeeding his brother, Jack M. Winer, who died Aug. 30 (Vol. 16:36 p14) . . . Charles A. Gustafson appointed sales mgr., GE radio receiver dept., Utica, succeeding Norman Langenfeld, who has been named mktg. mgr. of the portable appliance dept., headquartered in Bridgeport; Gustafson was formerly GE radio field sales representative in San Francisco . . . C. Graydon Lloyd will head GE's new rectifier components dept., headquartered in Auburn, N.Y.

Walter H. Eichelberger named merchandise mgr., Philco radio & hi-fi dept. . . . Harold Dittenhoefer named gen. mgr., Symphonic Electronic Corp. contract div. . . . Andrew J. Chitiea named asst. to Stromberg-Carlson vp-gen. mgr. Allan R. Shilts . . . Herbert Rosen, former asst. dir. of NASA for educational programs and onetime chief of *Electronic Week's* Washington bureau, appointed PR dir., Hoffman Electronics, succeeding Edward E. Ferrey, now mgr. of Western Electronic Mfrs. Assn. (WEMA).

Norman A. Adler appointed exec. vp, Columbia Records . . . M. E. Karns named RCA international div. license operations vp . . . Ted Westfall named to new post of area gen. mgr.—Latin America, and a vp, ITT; Ward B. Stevenson, ex-Benton & Bowles subsidiary General Public Relations, named PR vp, ITT . . . Patrick McFaull, ex-Nortronics div. of Northrop Corp., named National Co. vp-mktg. dir. . . . Dr. Zvi Prihar, ex-U. of Wichita professor of electrical engineering and 1948-51 dir. gen. & chief engineer for Israel, named Page Communications Engineers asst. dir. of telecommunications . . . Stanley S. Sievers named marketing vp of Pelco Sales Inc., Gardena, Cal., manufacturer and sales outlet for closed circuit TV accessories.

John Harlan Kerr will succeed Eben H. Jones on his retirement Nov. 1 as vp-gen. counsel, Thompson Ramo Wooldridge; Eugene E. Ford named asst. gen. counsel; Paul W. Schuette succeeds Kerr as secy.; George W. Fenimore, gen. mgr. of TRW international div., Warren B. Hayes, gen. mgr. of the electronic components group, and John H. Shaffer, Tapco group sales dir., all named vps. . . . John E. Johnson appointed commercial vp, Itek Corp. . . . Burl S. Bishop named mfg. vp, Transval Electronics . . . Arthur S. Kester named mfg. mgr., Rauland-Borg Corp. . . . Richard A. Stonesifer promoted from special sales rep for govt. sales to product sales mgr., Sylvania Electronic Tubes special tube operations . . . Harold M. Emlein named operations mgr. of RCA's new data processing div. plant being constructed in Palm Beach Gardens, Fla. . . . Trevor Clark, Westinghouse, named chmn., EIA military equipment panel; Dr. A. L. Floyd, Hoffman, named chmn., military components engineering coordination (M-1) committee; H. R. Dyson, RCA, appointed chmn., military equipment specifications (M-4) committee; David Flower Jr., Raytheon, named chmn., tax committee.

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Three picture-tube rebuilders are targets of FTC complaints charging them with failing to make adequate disclosure of the fact that their tubes are reactivated, reconditioned or rebuilt: Wells Electronics Co. Inc. (Sam Bluman), 208 Rockaway Turnpike, Cedarhurst, Long Island, N.Y.; Ultravision Mfg. Corp. (Carmine Cifaldi), 185 Goffle Rd., Hawthorne, N.J.; American Standard TV Tube Corp. and its sales agent A.S.T. Sales Corp. (Jack Cherches & Alan H. Shindel), 94-50 158th St., Jamaica, N.Y.

Babcock Radio Engineering has changed its corporate name to Babcock Electronics Corp.

## Finance

Ampex anticipates a sharp profit rise in fiscal 1961 (ending next April 30), stemming from improving military sales and "firming of major markets." Pres. George I. Long Jr. forecasts earnings of 62¢ a share, vs. 55¢ in fiscal 1960, on a sales rise to \$75 to 80 million from \$68.1 million. However, Ampex does not expect that its first-half earnings will equal the \$1.7 million on \$30-million sales posted in May-Oct. 1959. First-quarter profit also was down, despite a sales rise (Vol. 16:35 p16). The proposed merger of Ampex and Telemeter Magnetics (Vol. 16:35 p15) last week received the blessings of the boards of both concerns. Subject to stockholder approval, the amalgamation terms provide for surviving Ampex (7,270,000 common shares outstanding) to exchange 1 share for each 2 of Telemeter Magnetics (852,344 outstanding). Although the merger will involve the exchange of 426,172 Ampex shares, Long commented that he does not "anticipate a dilution in earnings." Paramount Pictures holds about 75% of Telemeter's outstanding common shares.

Automatic Radio Mfg. Co. seeks registration of 623,750 shares of common stock, filing a statement with the SEC (File 2-17020) noting that 150,000 of the shares would be sold by the company, the balance of 473,750 (now outstanding) to be sold by the holders. Paine, Webber, Jackson & Curtis is the principal underwriter. Price & terms are to be supplied by an amendment. The company plans to use \$1 million of the proceeds to buy tools & equipment, for working capital and possibly for the purchase of "other businesses compatible with its own." There are 1,860,015 common shares outstanding, of which Pres. David Housman owns 1,186,965 and proposes to sell 420,000.

Collins Radio earnings in fiscal 1961 (ending July 31) "should be as good as those of last year . . . may be as much as 10% better," finance exec. vp Robert S. Gates forecast last week before the N.Y. Society of Security Analysts. He predicted a sales rise to \$205 million from fiscal 1960's near-\$190-million volume, which produced profits of about \$6.5 million (Vol. 16:37 p19). Gains in sales of microwave and data-handling equipment, he said, "should mean an increase in the proportion of non-military business and should indicate an improvement in profits in those areas."

Daystrom has filed with SEC a proposed offering of \$10 million of sinking fund debentures due Oct. 1, 1980. Goldman, Sachs & Co. and R. W. Pressprich & Co. head a group of underwriters planning to offer the securities.

Gotham Bestg. Co. (KTVR Denver, KTVW Seattle-Tacoma, radio WINS N.Y., 50% of radio KELA Centralia, Wash.) has acquired Tarc Electronics, Westbury, N.Y. manufacturer of TV broadcast & test equipment. The acquisition terms were not disclosed.

Electronics Capital Corp. has purchased \$400,000 of 8% convertible debentures in Alloyd Electronics Corp., Cambridge, Mass., convertible into 45% of Alloyd's common stock. The 12th purchase by the small-business investment company, Alloyd makes electron beam equipment for use in welding & fabricating tiny electronic circuit elements and for other uses.

Reports & comments available: Magnavox, report, Parrish & Co., 40 Wall St., N.Y. 5 • Rollins Bestg., prospectus, F. Eberstadt & Co., 65 Broadway, N.Y. 6 • Decca and Crowell-Collier, comments, J. R. Williston & Beane, 2 Broadway, N.Y. 4.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1960—6 mo. to June 30	\$13,416,022	—	\$264,991 <sup>1</sup>	\$0.30	877,708
	1959—6 mo. to June 30	8,672,693	—	226,406	.26	873,572
Famous Players Canadian	1960—6 mo. to July 2	—	—	914,764	.53	—
	1959—6 mo. to July 2	—	—	1,104,906	.63	—
Litton Industries	1960—year to July 31	185,000,000	—	7,450,000	1.75 <sup>4</sup>	4,158,602
	1959—year to July 31	125,525,561	—	5,975,031 <sup>5</sup>	1.62 <sup>4</sup>	3,512,408 <sup>10</sup>
Perkin-Elmer	1960—year to July 31	22,125,000	\$2,686,000	1,208,000	1.05	1,147,136
	1959—year to July 31	17,514,097	1,931,800	900,779	.80	1,130,920
Seeburg	1960—9 mo. to July 31	19,901,418 <sup>2</sup>	—	1,675,434	1.31 <sup>3</sup>	1,282,234
	1959—9 mo. to July 31	16,702,487	—	1,607,869	1.25 <sup>3</sup>	1,179,946
Servel	1960—9 mo. to July 31	—	—	1,978,715	.96 <sup>4</sup>	1,922,345
	1959—9 mo. to July 31	—	—	1,609,500 <sup>6</sup>	.83 <sup>4</sup>	1,766,345
Sprague Electric	1960—6 mo. to June 30	32,283,457	4,143,733	2,077,821	1.49	1,398,795
	1959—6 mo. to June 30	27,352,408	3,618,179	1,839,207	1.40	1,311,412
Times-Mirror	1960—28 wks. to July 10	57,471,652	—	2,578,666	.64	4,019,109
	1959—28 wks. to July 10	50,036,198	—	2,336,517	.65	3,593,940 <sup>9</sup>
Transitron	1960—year to June 25	47,753,064	17,095,641	8,110,641	1.08 <sup>7</sup>	7,502,500
	1959—year to June 25	30,913,376	13,901,138	6,456,138	.86 <sup>7</sup>	7,502,500
United Artists	1960—6 mo. to July 2	51,426,000	—	1,678,000	1.01	1,664,218
	1959—6 mo. to July 2	44,844,000	—	1,597,000	.96	1,664,218
Universal Pictures	1960—39 wks. to July 30	—	10,484,224	5,204,224 <sup>2</sup>	5.71 <sup>4</sup>	889,390
	1959—39 wks. to July 30	—	554,647	104,647 <sup>8</sup>	—	899,802
	1960—13 wks. to July 30	—	—	1,509,030	1.67	889,390
	1959—13 wks. to July 30	—	—	637,915	.65	899,802

Notes: <sup>1</sup> Excludes non-recurring gain of about \$152,000 (18¢ a share) on sale of real estate. <sup>2</sup> Record. <sup>3</sup> Based on 1,282,234 capital shares outstanding July 31, 1960. <sup>4</sup> After preferred dividends. <sup>5</sup> Excludes non-recurring income of \$692,436. <sup>6</sup> Adjusted for Jan.-1960 4% stock dividend and April-1960 3-for-1 split. <sup>7</sup> Based on 7,502,500 shares outstanding June 25, 1960. <sup>8</sup> Excludes gain of \$3,667,387 (\$4.04) on sale of studio. <sup>9</sup> Includes more than \$1 million in special income credits. <sup>10</sup> Adjusted for Dec.-1959 2-for-1 split.

Lab for Electronics stockholders have approved an increase in authorized common stock to 1,250,000 shares from 750,000 (Vol. 16:35 p15). Pres. Henry W. Harding indicated a probable need for additional shares to be issued in connection with further expansion. Questioned by stockholders about possible mergers, Harding said he would like to find companies producing civilian items, but "we don't want to dilute our stock by acquiring some company that's priced in never-never land. Somewhere along the line I am sure we will find the right companies for us." He predicted record sales & earnings for fiscal 1961, ending April 30.

Transitron has filed with SEC a secondary offering of 1,250,000 common shares for public sale through an underwriting group headed by Merrill Lynch, Pierce, Fenner & Smith. The selling stockholders: Pres. David Bakalar, who proposes to dispose of 625,000 of his 3,176,325 shares; Chmn. Leo Bakalar, 587,500 of 3,221,375; Leo Bakalar's trust for his children, 37,500 of 75,000.

Solitron Devices Inc., 67 S. Lexington Ave., White Plains, N.Y., has filed a statement with SEC (File 2-17-26) seeking registration of \$400,000 of 6% subordinated convertible debentures due 1967, to be offered publicly through Casper Rogers & Co. Solitron was organized in March 1959 for the development of solid state devices.

## Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
GE	Q	\$0.50	Oct. 25	Sep. 16
ITT	Q	.25	Oct. 15	Sep. 23
MPO Videotronics "A"	—	.10	Oct. 14	Sep. 30
Howard W. Sams	Q	.15	Oct. 25	Oct. 11
Western Electric	Q	.90	Sep. 30	Sep. 20

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 15, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid Asked	Stock	Bid Asked
Acoustica Associates	25 28 1/4	Magnetics Inc.	9 3/4 11
Aerovox	9 3/4 10 1/4	Maxson (W.L.)	9 3/8 10 1/2
Allied Radio	22 1/2 24 1/2	Meredith Pub.	42 45 1/2
Astron Corp.	2 1/2 2 1/2	Metropolitan Bctg.	18 19 1/2
Baird Atomic	30 1/2 32 1/2	Milgo Electronics	21 1/2 24 1/2
British Industries	19 1/2 21 1/2	MPO Videotronics	7 3/8 8 1/4
CGS Labs	9 1/2 11 1/2	Narda Microwave	5 6
Control Data Corp.	41 44	National Co.	30 3/4 33
Cook Elec.	15 1/2 16 1/2	Nuclear of Chicago	30 33
Craig Systems	16 17 1/2	Official Films	1-15/16 2 1/4
Dictaphone	43 3/4 43 3/4	Pacific Automation	7 1/4 8 1/8
Digitronics	22 1/2 24 1/2	Pacific Mercury	7 3/4 8 1/2
Eastern Ind.	13 1/4 14 1/4	Perkin-Elmer	43 1/4 46 1/2
Eitel-McCullough	24 1/2 28 1/2	Philips Lamp	159 164 1/2
Elco Corp.	15 3/4 32 1/2	Pyramid Electric	3 3 1/2
Electro Instruments	32 35 1/2	Radiation Inc.	22 1/2 24 1/2
Electro Voice	12 1/2 13 1/2	Howard W. Sams	43 1/2 47 1/2
Erie Resistor	8 3/4 9 1/4	Sanders Associates	50 54 1/2
Executione	32 35 1/2	Silicon Transistor	6 1/2 7
Farrington Mfg.	38 40 1/2	Soroban Engineering	24 25 1/2
Fischer & Porter	20 1/2 22 1/2	Soundscriber	12 1/4 14 1/2
FXR	42 46 1/2	Speer Carbon	22 1/2 24 1/2
General Devices	12 1/2 14 1/2	Sprague Electric	22 1/2 24 1/2
G-L Electronics	10 11 1/2	Taft Bctg.	12 1/2 13 1/2
Granco Products	4 1/2 5 1/2	Taylor Instrument	38 40 1/2
Gross Telecasting	18 1/2 20 1/2	Technology Inst.	11 1/2 12 1/2
Haydu	1/2 1/2	Tele-Broadcasters	1/2 1-1/16
Hewlett-Packard	26 1/2 28 1/4	Telechrome	12 1/2 13 7/8
High Voltage Eng.	145 157	Telecomputing	8 8 3/4
Infrared Industries	20 1/2 22 1/2	Telemeter	13 1/4 14 1/2
International Rectifier	22 1/2 24 1/2	Time Inc.	64 67 1/2
Interstate Engineering	24 1/2 26 1/2	Tracerlab	10 1/2 12
Itek	59 63 1/2	United Artists	7 7 1/2
Jerrold	9 9 1/2	United Control	22 1/2 24 1/2
Lab for Electronics	46 49 1/4	Universal Trans	1 1/2 2 1/4
Lel Inc.	5 1/2 6 1/2	Vitro	12 1/4 13 1/2
LFE Inc.	11 1/2	Vocaline	3 3 1/2
Ling Altec Electr.	28 1/2 30 1/2	Wells-Gardner	10 11
Magna Theater	3 1/4 3 3/4		

# WEEKLY Television Digest

SEPTEMBER 26, 1960

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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

**GOV. COLLINS A TOP CANDIDATE** for NAB pres., one of final 2 being interviewed by selection committee in Washington & N.Y. sessions (p. 1).

**NEW TELEVISION FACTBOOK**—containing industry's most-wanted 75 directories—published this week (p. 3).

**NAB'S ATLANTA AGENDA** to stress "politics, people & profits" in Oct. 13-14 opening fall regional conference, first of 8 (p. 10).

**WPST-TV MIAMI GETS BREATHER** as FCC shifts its "go-dark" deadline to indefinite date: 15 days after Court of Appeals acts (p. 11).

### FCC

**FORD PRESSES FOR ALL-CHANNEL SETS** as "key" to allocations problem, tells RTES 12 vhf channels aren't enough without "drastic" mileage cuts (p. 2).

**PROBABLE SHAPE OF PAY-TV HEARING** emerging after FCC defers final word for a week. Expected to explore free-TV "black out" charges, prices, effects on station competition (p. 2).

**FCC CAUTIONS ON NEW LAW**, notes anti-payola provisions now in effect. Will follow House Committee interpretations until it issues new rules (p. 4).

**STORER PUSHES MILEAGE CUTS**, as low as 115 miles, with DAs, to add 3rd or 4th vhf station to 25 of top 100 markets (p. 5).

### Networks

**END-OF-SUMMER HEADACHES** for networks were plentiful last week, and of several varieties—political, diplomatic, labor and option-time (pp. 3 & 8).

### Consumer Electronics

**TV SALES DROP** causes concern. Distributor sales down sharply in Aug. & Sept. as inventories mount. Aug. retail sales about 10% below 1959 (p. 14).

**CUT OUTPUT, BOOST SALESMANSHIP**. That's industry prescription to combat TV slump. Zenith's Truesell urges cutbacks to prevent heavy dumping (p. 15).

**PRESIDENTIAL ELECTION** campaign doesn't necessarily boost TV set sales. Past figures show sales big in 1952, low in 1956 during campaign months (p. 16).

**TV RECEIVER EXPORTS** dropped in June, according to Census Bureau. Home electronics imports exceed exports in every end-equipment category (p. 17).

### Film & Tape

**FCC READIES HOLLYWOOD HEARING**. Attorneys lining up witnesses, producer-network relationships to be examined (p. 6).

**FCC-PRODUCER PAYOLA CONFAB** works to come up with fair rules covering TV films. MPAA and ATFP meet with top commission staff members (p. 6).

### Advertising

**TV-&PRINT MEASUREMENT** launched officially with announcement of Nielsen Media Service to check magazine & TV audiences in national panel (p. 12).

### Other Departments

**PROGRAMMING** (p. 13). **PERSONALS** (p. 13). **FINANCE** (p. 18). **EDUCATIONAL TV** (p. 20). **AUXILIARY SERVICES** (p. 20) **FOREIGN** (p. 20). **TECHNOLOGY** (p. 20).

**GOV. COLLINS A TOP CANDIDATE FOR NAB CHIEF:** Florida's Democratic Gov. LeRoy Collins, who mightily enhanced his excellent reputation by his fair & skillful handling of Democratic National Convention as presiding officer, is understood to be one of 2 men from whom NAB's next president will be chosen.

We understand that NAB's selection committee (headed by C. Howard Lane, KOIN-TV Portland, Ore.), which met in Washington's Statler Hotel Sept. 22, discussed the position with Gov. Collins at some length, and that the group goes to N.Y. for Sept. 26 session with the other man. Though some industry factions have urged that selection be delayed until Presidential election, committee now hopes to pick its man within 2-to-3 weeks. We hear salary figures running up to \$100,000; late Pres. Harold Fellows received about \$75,000.

Collins was chosen to preside over Convention, you'll recall, because of his acceptability to virtually all mutually antagonistic factions within Democratic party. His performance not only satisfied Democrats but impressed Republicans as well.

Though Collins' success in Los Angeles, amplified many-fold by TV, is responsible to a substantial degree for his being sought for NAB job, he was actually under consideration before that, as we reported (Vol. 16:23 p6). He's 51, became governor of Fla. in 1955.

National Community TV Assn. is also seeking a paid pres., and its selection committee interviewed 11 prospects in Washington Sept. 15 & 16. Man hasn't been picked yet, but there's hope of making final choice at Oct. 20 board meeting in Denver. Salary is mentioned in \$30,000-\$50,000 range. Co-chairmen of committee are Bill Daniels, Denver, & Larry Boggs, Oklahoma City.

**FORD PRESSES FOR ALL-CHANNEL SETS:** FCC Chmn. Ford has constantly insisted, ever since he became chairman, that biggest job facing Commission is allocations—the key to TV expansion, competition & service. Now that payola & influence business is well in hand, and now that OCDM has said "no soap" on more vhf spectrum for TV, he's pushing mightily for solution.

In talk before Radio-TV Executives Society in N.Y. last week, he stepped up his efforts to get what he considers indispensable first major step: Production, henceforth, of nothing but all-channel sets that can get all vhf & uhf stations. "It's the key to any solution of the problem," he said. The 12 vhf channels aren't enough, he stated. Expansion can't be achieved with the 12 channels, he said, "unless mileage separation between stations is drastically cut which will result in station coverage of vhf below that presently achieved by uhf."

A bill to require that set makers produce nothing but all-channel receivers was introduced in last session of Congress at urging of Commission, but, Ford said last week: "I would much prefer no legislation of this type if the same result can be accomplished voluntarily, but as of this time there is no indication that this can or will be done. Therefore, if this industry is to grow & expand, narrow legislation of this type is essential." He thus acknowledges industry's steady opposition to the idea; manufacturers oppose the concept with the argument that public shouldn't be forced to pay extra for a device it won't necessarily use.

Ford said FCC "must now turn its attention intensively" to the allocation problem and he expressed hope it will be ready to give Congress its recommendations when it convenes in Jan.

Turning briefly to programming, Ford said: "The Commission & the industry have been beset on all sides for real & imaginary evils. Most of the real ones have been corrected and the imaginary ones dispelled, I hope . . . I was asked the other day if I believe that the TV industry could police itself, and I answered unequivocally & positively that it not only can, but will, and in fact, is making much progress in that area." He also noted hopefully that "it would appear from advance reports that there will be some lessening of crime & violence in the coming season."

Ford stressed all-channel idea later in week when attorneys for fellow uhf CP-holders argued that their grants shouldn't be canceled. Lawyers insisted that it's unfair to cancel grants, for failure to build, when Commission itself doesn't know what it's going to do about allocations. By their questions & comments, Commissioners ranged from sympathetic to cynical. Some seemed to appreciate time, money & effort that grantees put into acquiring CPs—but not as much as they appreciate losses of uhf operators who build, telecast & succumb. Several Commissioners asked point-blank whether the grantees wanted to hold their CPs as a "leg-up" on vhf drop-ins, when & if they come.

**PROBABLE SHAPE OF PAY-TV HEARING:** Reason FCC deferred action on its proposal to order a hearing on RKO-Zenith's Hartford toll-TV test (Vol. 16:38 p2), is that Chmn. Ford & Comr. Lee were absent when subject came up in Sept. 20 meeting, and colleagues decided to wait until they were present. Final word is expected this week.

Exact nature of hearing won't be known until Commission announces decision, but it's still expected to be much as indicated last week—5 days, before all Commissioners, limited cross-examination. Here are some of the issues Commission is expected to explore:

- (1) Would the test "black out" free TV in Hartford area?
- (2) Does RKO-Zenith application meet all conditions specified by FCC?
- (3) Would competition among stations be reduced?
- (4) Will viewers be charged fair prices?
- (5) Will station licensee retain full control of programming?

One thing certain at Commission is that it won't authorize even a test such as that proposed for Hartford if it becomes convinced that free TV will be killed or badly maimed.

Commission is still thinking about a "403 hearing"—i.e., the type authorized by Sec. 403 of Communications Act—rather than the adjudicatory hearing required by Sec. 309(b) of the Act. Former would not only be faster but would also permit FCC to use whole staff in reaching decision—including Offices of General Counsel, Broadcast Bureau & Chief Engineer—instead of only the Office of Opinions & Review.

Plans for hearing are said to include: One spokesman per party, if possible; filing of written statements by those who don't testify; considerable time allotted to main witnesses, but only 10 min. for minor spokesmen; cross-examination only by FCC & attorneys for major parties.

Commission intends to hold tight rein on proceeding—excluding or compressing testimony of those whom it believes have little to add.

**4 HEADACHES FOR 3 NETWORKS:** It was no fun being a network president last week. A quartet of delicate problems confronted all 3 networks, and although the problems were tackled, there was no fast, Fast, FAST relief! The lineup:

(1) Political headache: In wake of new-found freedom to seek major political candidates as TV network guests, ABC, CBS and NBC have all granted TV exposure with lavish hand. One result: Democratic & Republican ad strategists, taking realistic view of "why buy what you can get for free?" are now keeping paid-political network telecasts to bare minimum, and, in some cases, curtailing (see p. 8).

(2) Diplomatic headache: A mail-order catalog of unpopular international visitors, led by Russia's Khrushchev & Cuba's Castro, descended on N.Y. and the UN last week. Network newsmen, thanks to a basically unnecessary warning by State Dept., found themselves in the sticky position of constantly trying to guess where news coverage, as a public responsibility to viewers, left off and propaganda for Red visitors began. Everybody ad-libbed and hoped for the best.

(3) Labor headache: Contracts covering network technicians represented by IBEW & NABET are due to expire simultaneously at all 3 networks on Jan. 31. By all advance indications, there's going to be some hard bargaining and much soul-searching before new contracts are hammered out. Networks are using more film shows than ever, need fewer live-TV & tape technicians, and want to reduce labor overhead (CBS has already put a large group of N.Y. IBEW men on layoff). Unions are fighting to hold their ground. Last week IBEW & NABET held joint strategy meeting in N.Y. to "coordinate" contract-renewal aims, and all 3 networks dusted off blueprints for emergency operation of systems by non-union help. Network agreements with AFTRA are also expiring soon (Nov. 15), and the first round of network-AFTRA meetings concerning live-& tape talent is scheduled to start Sept. 28.

(4) Option-time headache: Ruling by FCC on option time (Vol. 16:38 pl) triggered a round of station-relations meetings at networks which produced a crop of "no comment" answers. Concensus of what could be gleaned privately from top network executives: FCC ruling wasn't a defeat, but it wasn't a victory, either. "Good programs will always act as their own best agents in clearing time on stations," station-relations vp Jules Barnathan of ABC told us. "Most of our network schedule would command lineups now achieved whether in or out of network option time. That isn't the point. Option time is a necessity for a network. Otherwise, how is a network going to commit for millions of dollars worth of programming—particularly of a cultural nature—and for millions in advertiser billings—if it can't deliver stations?" At week's end, nobody knew the answer, or just how the new FCC rules would be applied.

**NEW FACTBOOK—75 DIRECTORIES IN ONE:** The new fall-winter Television Factbook, updated & enlarged, is now in the mail to all full-service & full-TV-service subscribers as part of their regular subscriptions to Television Digest.

The standard reference volume of the TV industry, new 506-page Factbook—biggest ever—contains the 75 most-wanted directories & listings of TV data. It's 31st in our series of semi-annual books of up-to-date data of vital use to everyone in telecasting, advertising, film, consumer electronics and related industries.

Of special interest in new Factbook are expanded market-data and TV-set census sections—the latter directly comparing latest ARB & Nielsen county-by-county data for U.S., and BBM & Nielsen province, county & subdivision data for Canada.

Factbook's biggest section, 165-page Station Directory, lists personnel, rate digests, ownership & technical data of every TV station now on air as well as those slated to start this fall. In addition, there are direc-

tories of translator stations, foreign stations, TV station applications, communications attorneys & engineers, FCC, program suppliers, station equipment manufacturers.

Community-antenna system directory has been enlarged, now lists rates charged by most systems, group CATV ownership, stations whose programs are carried by CATV systems and estimated potential added viewers for each.

Consumer electronics features in book are directories of manufacturers of TV sets, radios, phonos, recorders, picture & receiving tubes, transistors, together with industry statistical tables on TV-radio-phono sales, production, etc.

Included with each Factbook is new Map of TV Stations & Network Routes, 23 x 25 in., suitable for wall hanging or framing.

Not only is Factbook the only industry reference devoted exclusively to TV, it's only broadcasting data book which is revised & updated twice yearly to keep pace with fast-growing TV industry. Subscribers to our full services receive the 2 Factbooks yearly, plus weekly addenda to the Applications & Station Directory sections. For newsletter-only subscribers, Factbook is priced at \$5, or \$3.50 in quantities of 5 or more.

## The FCC

**FCC CAUTIONS ON NEW LAW:** FCC directed the industry's attention to the fact that most sections of S-1898 became the law of the land on Sept. 13 and are now in effect. All existing Commission rules & interpretations inconsistent with the amended law are superseded, it said, even though new rules are still to be proposed & adopted to conform with the amendments.

Particular attention was drawn to the anti-payola law. Until new rules are issued, FCC said, it will interpret the law in light of the House Commerce Committee's report accompanying S-1898. In the report are 27 examples to illustrate when a station must announce that something has been given to it by outsiders. The Commission made a point of quoting Sec. 317(a) (1) of the Act, which, among other things, relieves broadcasters of their previous problems in the routine use of free records:

"Provided, that 'service or other valuable consideration' shall not include any service or property furnished without charge or at a nominal charge for use on, or in connection with, a broadcast unless it is to be furnished in consideration for an identification in a broadcast of any person, product, service, trademark, or brand name beyond an identification which is reasonably related to the use of such service or property on the broadcast."

Here are some examples from the House report:

"A record distributor furnishes copies of records to a broadcast station or a disc jockey for broadcast purposes. No announcement is required unless the supplier furnished more copies of a particular recording than are needed for broadcast purposes. Thus, should the record supplier furnish 50 or 100 copies of the same release, with an agreement by the station, express or implied, that the record will be used on a broadcast, an announcement would be required because consideration beyond the matter used on the broadcast was received."

\*

"Free books or theater tickets are furnished to a book or dramatic critic of a station. The books or plays are reviewed on the air. No announcement is required. On the other hand, if 40 tickets are given to the station with the understanding, express or implied, that the play would be reviewed on the air, an announcement would be required because there has been a payment beyond the furnishing

of a property or service for use on or in connection with a broadcast."

\*

"A refrigerator is furnished by X with the understanding that it will be used in a kitchen scene on a dramatic show and that the brand name will be mentioned. During the course of the program the actress says: 'Donald go get the meat from my new X refrigerator.' An announcement is required because the identification by brand name is not reasonably related to the particular use of such refrigerator in this dramatic program."

\*

"(a) An airplane manufacturer furnishes free transportation to a cast on its new jet model, to a remote site, and the arrival of the cast at the site is shown as part of the program. The name of the manufacturer is identifiable on the fuselage of the plane in the shots taken. No announcement is required because in this instance such identification is reasonably related to the use of the service on the program."

"(b) Same situation as in (a), except that after the cameraman has made the foregoing shots, he takes an extra closeup of the identification insignia. An announcement is required because the closeup is not reasonably related to the use of the service on the program."

\*

"A department store owner pays an employee of a producer to cause to be mentioned on a program the name of the department store. An announcement is required."

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"My first 30 days on the FCC" was the title of FCC Comr. Charles King's maiden speech as a Commissioner, speaking to the convention of the Mich. Assn. of Bestrs. in St. Clair Sept. 22. His big problem, he said, is finding what the "public interest" is. He said he can't find a definition anywhere and that FCC interprets it "off the cuff." Sooner or later, he asserted, the phrase will have to be reduced from "something indefinite" to "a specific thing." Then, he indicated, the industry will know the score and will be able to comply. He stated that he doesn't believe that Commissioners' personal program preferences should influence decisions as to what's good for the public. FCC censors indirectly, he claimed, "because stations follow what they think the FCC wants."

**FCC'S UHF ADVISORS:** Anyone with a "legitimate interest" may serve on FCC's General Industry Advisory Committee for its N.Y. uhf project (Vol. 16:31 p3), the Commission says. And "other committees will be staffed with specialists who are experts in specific fields." The committees change constantly, project chief Arnold Skrivseth said, but here is the lineup compiled by the Commission as of Sept. 7:

General Industry Advisory Committee (GIAC): E. W. Allen, FCC, chmn.; Harold C. Anderson, Litton Industries, College Park, Md.; Stuart L. Bailey, consultant, Washington; John H. Battison, consultant, Washington; Joseph Baudino, Westinghouse Bctg. Co., Washington; Richard K. Blackburn, Rochester, N.Y.; Isaac S. Blonder, Blonder-Tongue Labs, Newark, N.J.; Cyril M. Braum, JCET, Washington; Jules Cohen, consultant, Washington; Monte Cohen, General Instrument, Newark; John Creutz, consultant, Washington; A. Earl Cullum Jr., consultant, Dallas (alternate, Thomas A. Wright Jr.); L. B. Davis, EIA, Washington; Charles A. Dukes Jr., attorney, Washington; Joseph E. Epperson, WEWS Cleveland; Dorman D. Israel, Emerson Radio, Jersey City; F. R. Lack, EIA, Southport, Conn.; Harold Leach, Alford Mfg., Boston; Wm. B. Lodge, CBS, N.Y.; Edward F. Lorentz, consultant, Washington (alt., Everett L. Dillard); H. Moody McElveen Jr., WNOK-TV Columbia, S.C.; James C. McNary, consultant, Washington; Frank L. Marx, ABC, N.Y. (alt., Clure H. Owen); John A. Moffett, consultant, Washington; W. C. Morrison, RCA, Camden; Carl G. Nopper, WMAR-TV Baltimore; Jack Poeppele, WAUB, Auburn, N.Y.; Carl E. Smith, Smith Electronics, Breckville, O.; Charles Tower, NAB, Washington; George Town, Iowa State U., Ames, Ia.; Orrin W. Towner, WHAS-TV Louisville; George R. Townsend, WWLP Springfield, Mass.; Glenn H. Vought, Lenkurt Electric, Washington; A. Prose Walker, NAB, Washington; W. T. Wintringham, Bell Labs, Murray Hill, N.J.; Frank Roberson, FCBA, Washington.

Transmitting Industry Advisory Committee (TIAC): Sydney R. Lines, FCC, chmn.; Frank J. Bias, GE, Syracuse; Richard K. Blackhurn, Rochester, N.Y.; L. A. Bondon, Prodelin, Kearny, N.J.; Glenn G. Boundy, Storer Bctg. Co., Miami Beach; Warren L. Braun, WSVA-TV Harrisonburg, Va.; J. S. Brown, Andrew Corp., Chicago; Kenneth R. Cooke, WDAU-TV Scranton; John A. Fergie, Northfield, Mass.; Ronnie Fisk, GE, Syracuse; Otis Freeman, WPLX, N.Y.; Ralph N. Harmon, Westinghouse Bctg. Co., N.Y.; Thomas E. Howard, WBTV Charlotte, N.C.; Frank Kear, consultant, Washington; Stephen W. Kershner, consultant, Washington; Phillip B. Laeser, WTMJ-TV Milwaukee; Harold Leach, Alford Mfg., Boston; R. Wayne Masters, Melpar, Falls Church, Va.; Robert Morris, ABC, N.Y.; James D. Parker, CBS, N.Y.; Roswell J. Parker, WNEP-TV Scranton; Charles Sakoski Sr., WBRE-TV Wilkes-Barre, Pa.; Wilson B. Scofield, Edwards & Hjorth, N.Y.; Robert M. Silliman, consultant, Washington; Carl E. Smith, Smith Electronics, Breckville, O.; David L. Steel Sr., consultant, Washington (alt., John Creutz); J. E. Young, RCA, Camden.

Receiving Industry Advisory Committee (RIAC): Jules Deitz, FCC, chmn.; John Achenbach, RCA, Cherry Hill, N.J.; Jack Beever, Jerrold Electronics, Philadelphia (alt., Robert Vendeland); Harold C. Anderson, Litton Industries, College Park, Md.; Isaac S. Blonder, Blonder-Tongue Labs, Newark; J. E. Brown, Zenith, Chicago; Lewis B. Davis, GE, Owensboro, Ky.; Jack Greene, Airborne Instrument Labs, Melville, Long Island, N.Y.; Harry Greenberg, Channel Master, Elenville, N.Y.; Garth Heisig, Motorola, Chicago; Fred J. Kitty, General Instrument, Chicopee, Mass.; Frank H. McIntosh, consultant, Bethesda, Md. (alt., Sidney A. Corderman); Charles G. McMullen, Bendix, Baltimore; Robert E. Moe, GE, Owensboro, Ky.; Joseph Senko, Hoffman Electronics, Washington; David Silliman, Westinghouse, Metuchen, N.J.; Daniel H. Smith, WTN Albany, N.Y.; Wm. O. Swinyard, Hazeltine, Chicago; R. R. Thalner, Pennsylvania, Batavia, N.Y.; George R. Townsend, WWLP Springfield, Mass.; W. C. Trautman, Liberty Mfg., Youngstown; Glenn H. Vought, Lenkurt Electric, Washington; Harris O. Wood, Philco, Philadelphia.

Observations & Measurements Industry Advisory Committee (OMIAC): Daniel B. Hutton, FCC, chmn.; George Bartlett, NAB, Washington; Jack Beever, Jerrold, Philadelphia; Cyril M. Braum, JCET, Washington; Wm. P. Duttera, NBC, N.Y.; Christian L. Engleman, Engleman & Co., Washington; R. J. Farber, Hazeltine, Little Neck, N.Y.; Clyde G. Haehnle, Crosley Bctg., Cincinnati; (alt., James Rockwell); Clifford V. Hall, Nems-Clarke, Co., Silver Spring, Md.; M. T. Harges, Empire Devices, Amsterdam, N.Y.; Howard T. Head, consultant, Washington; Wm. L. Hughes, Iowa State U.; Stanley Lapin, Adler Electronics, New Rochelle, N.Y.; Clure H. Owen, ABC, N.Y.; James D. Parker, CBS, N.Y.; Raymen E. Rohrer, consultant, Washington (alt., Robert M. Silliman); Joseph Senko, Hoffman Electronics, Washington; John A. Shay, WTVJ Miami; Carl E. Smith, Smith Electronics, Breckville, O.; Matthew Soja, Westinghouse, Metuchen, N.J.; David L. Steel Sr., consultant, Washington (alt., Carl T. Jones); George R. Townsend, WWLP Springfield; F. R. Weller, GE, Syracuse.

Analysis Industry Advisory Committee (ANIAC): George V. Waldo, FCC, chmn.; Harold C. Anderson, Litton Industries, College Park, Md.; Warren L. Braun, WSVA Harrisonburg, Va.; George C. Davis, consultant, Washington (alt., Ralph E. Dippell Jr.); A. James Ebel, KOLN-TV Lincoln, Neb.; R. J. Farber, Hazeltine, Little Neck, N.Y.; Paul F. Godley Jr., consultant, Upper Montclair, N.J. (alt., Paul F. Godley); Clive M. Hunt, WTOP-TV Washington; Stanley Lapin, Adler Electronics, New Rochelle, N.Y.; Stanley Mazur, Westinghouse, Metuchen, N.J.; James D. Parker, CBS; D. W. Peterson, RCA Labs, Princeton, N.J.; Henry E. Rhea, WFIL-TV Philadelphia; Joseph Senko, Hoffman Electronics, Washington; George R. Townsend, WWLP Springfield, Mass.; A. Prose Walker, NAB, Washington; John T. Wilner, WBAL-TV Baltimore.

Allocations petitions: Texas-Longhorn Bestg. Corp. of Houston is seeking assignment of Ch. 67 to Austin • Delta College and WSWM-FM of E. Lansing, Mich. want Ch. 19 assigned to Bay City.

**Storer Pushes Mileage Cuts:** Co-channel spacings as short as 115 miles, using directional antennas, to add a 3rd or 4th channel to 25 of the 100 top markets, are advocated by Storer Bctg. Co. in comments filed with FCC in advance of the Sept. 30 deadline in the general allocations rule-making case (Vol. 16:2 p1).

Storer said the FCC should proceed on an overall basis rather than piecemeal, so that "nationwide priorities" can be achieved. Though FCC has proposed to allow adjacent-channel reductions from 60 to 40 miles, Storer urged that 60 miles be maintained.

Under Storer's proposal, the following markets would get 2 more assignments: Binghamton, Austin, Topeka, Macon. And the following would receive one: Hartford, Kalamazoo-Grand Rapids, Birmingham, Charlotte, Louisville, Dayton, Providence, Syracuse, Toledo, Rochester, Shreveport, Altoona-Johnstown, Baton Rouge, Jacksonville, Terre Haute, Jackson, Miss., Quincy-Hannibal, Sioux City, Springfield, Mo., Harlingen, Tex., Erie.

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**Tall Tower Tiff:** Telecasting industry still doesn't know whether FAA is claiming final jurisdiction over tall towers, substituting itself for FCC. Broadcast attorneys, after reading FAA's reply comments last week in Doc. 13384, say that the aviation agency is as "coy" as it was in its proposed rule-making which seemed to assert it has the final word but wasn't definite (Vol. 16:38 p5). In its comments, FAA merely asked FCC to amend its rules to agree with its proposed rules.

The Air Transport Assn. remains the only organization flatly stating that FAA must take over under the Federal Aviation Act. It said FCC should change its rules to "make clear that the Commission will be bound" by the FAA tall tower determinations.

TV industry filings urged the Commission to keep jurisdiction. Some analyzed at length the provisions, legislative history & genesis of the Federal Aviation Act which established FAA, concluding that nothing can be found to justify taking the final say from FCC. On the contrary, they assert, the Communications Act gives FCC explicit authority to rule on towers. Among those filing were: NAB, AMST, NBC, Storer, WHAS-TV Louisville, consultants A. Earl Cullum Jr. & C. M. Daniell.

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Renewal of radio WHRW Bowling Green, O., owned by Howard R. Ward, is being held up by FCC on 2 complaints: (1) Northern Ohio Telephone Co. stated it had cut off the station's phone service because of non-payment and the station had then broadcast an appeal urging listeners to make calls designed to overload the company's facilities—which they did. (2) The city's Chamber of Commerce charged that WHRW carried spots opposing a bond issue, labeling them "paid announcements," but refusing to identify the sponsor. The Commission informed Ward it appears that a hearing is necessary. Comr. King dissented.

Licensees with renewals due in 1961 were told by the FCC to use the program logs of the following days for compiling their "composite week" for the renewal forms: Sun. Aug. 30, 1959; Mon. Oct. 19, 1959; Tue. Dec. 1, 1959; Wed. Feb. 10, 1960 Thu. April 21, 1960; Fri. June 17, 1960; Sat. Sept. 10, 1960.

Federal Communications Bar Assn. annual outing—golf, FCC-FCBA baseball game, tennis, badminton, horse shoes, free beer, a chance to rub shoulders with FCC members & other govt. officials—is scheduled for Oct. 10 at the Manor Country Club near Washington.

## Film & Tape

**FCC READIES HOLLYWOOD HEARING:** FCC's 2 top network study attorneys, Ashbrook Bryant & James Tierney, were scheduled to leave for the West Coast last weekend to prepare for the film-producer phase of their long investigation of network practices. The hearing is due to start Oct. 10, before Commission's chief examiner James Cunningham, in Los Angeles's U.S. District Court House. Purpose of the hearing is to examine producer-network relationships.

Bryant said the hearing would run a week or two. A witness list isn't available yet, he said, "but we will include large, medium & small organizations, just as we did in other phases of the study—such as the ad agency phase."

Meanwhile, in Hollywood, we learned that a number of TV-film executives last week had been requested by FCC to appear for its hearing.

Four Star Television Pres. Dick Powell meets with Bryant and Tierney this week (Sept. 28) in a pre-hearing session. He will also represent his company at the open hearing. Revue Studio Pres. Taft Schreiber will testify for his firm if he's in town. Rudy Petersdorf, attorney in charge of labor relations for Desilu Productions, will testify for that company. Exec. TV producer William T. Orr will most likely testify for Warner Bros. There will be others, for FCC is still lining up its "talent."

Hollywood executives told us FCC had not yet indicated in detail the nature of its quizzing. Said one who had not yet had word: "I hope I'm not called." His remark was echoed by a number of others. They said they thought it unfair to ask them to blow the whistle on the networks with whom they do business.

**Is or Isn't There a Blacklist?** Producer-writer Rod Serling last week proposed to the Academy of Television Arts & Sciences that it establish a committee to investigate blacklists in TV film. He said he was activated by agency bans on actors he wanted for *Twilight Zone*.

Serling's accusation, made at an Academy meeting, brought prompt denials that any blacklist exists, from Y&R, McCann-Erickson, and FCB, the agencies connected with his show. Serling insists, however, that they do. "The blacklist situation has improved," he told us, "but they want to do it like desegregation—make it an evolutionary process."

No agency, sponsor or network executive has been known to admit the existence of the lists, but that they do exist seems to be no trade secret. Usually persons get on such lists because of suspected political leanings, but nobody ever advances the reasons.

At the same Academy meeting, Raymond (*Perry Mason*) Burr defended William Talman, who had been fired from the district attorney role in the series after being arrested in a police raid at an alleged narcotics party in Hollywood. Talman, released by CBS-TV, was later found innocent. Burr argued that 99% of the mail has favored Talman, and he pointed out he was exonerated in court. (After much trouble finding work as a result of the incident, Talman recently got a job in 2 *Have Gun—Will Travel* segments.)

NBC-TV is negotiating for a 60-min. series, *K-9 Patrol*, produced by Sharpe-Lewis. SL made a 30-min. pilot last year in which CBS-TV was interested, then the network decided it did not want a crime or police show.

**FCC-Producer Payola Confab:** FCC & its staff frankly admit they have much to learn about film production, as they start writing anti-payola rules to conform with the new law. They made a start last week by conferring in Washington with a group of top industry men.

The Commission has discretion under the law, and it seeks to be fair & reasonable in applying new rules to producers whom it previously couldn't touch. The Commission staff was aware of some problems but it learned of many more—traditional film-industry practices technically outlawed by the new statute. FCC faces problems such as this: TV is using movies many years old. Plenty of producers received cars, or what have you, for using them in the pictures. The Commission is expected to kiss such things off.

No additional meetings are planned, but producers will supply the Commission with information from time to time, as requested.

Coordinator of the industry group was MPAA's TV chief, Edward Cooper. Attending for FCC: Harold Cowgill, broadcast bureau chief; Joseph Nelson, renewal & transfer div. chief; Louis Stephens & Robert Greenburg, rules & standards div. attorneys; Dee Pincock & Gerard Cahill, of the general counsel's office; H. H. Goldin, economics div. chief.

For the industry (MPAA group): Gordon Stulberg & Russell Karp, Screen Gems; Donn B. Tatum, Walt Disney; Saul Rittenberg, MGM; Bernard Donnenfeld, Paramount; Herbert Golden, United Artists; Harold J. Berkowitz, Warner Bros. Representing the Alliance of TV Film Producers: Richard Jencks, pres.; Harry Plotkin, counsel; Frank Reel, Ziv; Anthony Frederick, Revue Productions.

**NTA's Bullish View:** Now severing their financial link to National Theatres (Vol. 16:12 p23 et seq.), NTA executives admitted last week that things hadn't been going so well lately. The loss in the fiscal year ending Sept. 30, according to Pres. Oliver Unger will be over \$4 million, and in the first half of the fiscal year (ending March 29), NTA lost \$2.7 million (see financial table, p. 19). However, NTA expects to be in "profitable operation" in the coming fiscal year, said Unger. NTA's main troubles, he added, have come from a tight telefilm market, slow sales, high depreciation costs and interest rates on loans.

NTA's future hopes are based on a combination of belt-tightening (a refinancing program on money owed to National Theatres, cutbacks in NTA overhead, etc.) and a flock of new plans:

**Syndication:** Now that FCC has ordered a cutback in network option time (see p. 3), NTA visualizes a broader market for local-level sales of syndicated product. According to Unger, NTA intends to make a specialty of syndicating pre-taped shows (*Play of the Week*, etc.) and post-1948 movies, which would be released in new groups twice annually in distribution deals with 20th Century-Fox & independents.

**Stations:** WNTA-TV N.Y., which has had lots of press clippings but not much black ink on its books, will finally show a profit this season, NTA Chmn. Ely Landau revealed. He also stated that NTA had hoped to acquire other stations under its deal with National Theatres, but nothing had ever been resolved. Now, NTA will be back in the market actively scouting station properties, said Landau.

**Advertising:** A fall sales drive featuring "the largest advertising & promotion campaign in its history" is being launched by NTA, said Pres. Unger, using "virtually every publication in the advertising & broadcasting trade-press field." Moss Associates—in which Ely Landau once worked as TV-radio director—is the ad agency. The campaign calls for a total of 97 pages of ad space over a 2½ month period for its tape & film syndication properties, post-1948 and pre-1948 film packages, and NTA's tape commercials.

## HOLLYWOOD ROUNDUP

**California Studio for Sale:** A syndicate of businessmen, headed by Los Angeles economist-financier Fred Jordan, is negotiating for acquisition of California Studios. With the group is producer-writer Phil Rapp, who told us that they plan to produce TV & theatrical films at California. Reported price: \$2 million.

Philip Krasne, pres. & sole owner of California, has confirmed the fact that discussions are taking place. He & Jack Gross bought California studios 9 years ago, but Krasne bought out Gross's interest in July 1959. Krasne is not currently producing, but rents space to Filmaster Productions, Stanley Kramer, Roland Reed and Jack Harris.

Petitions demanding recall election of the TV-radio board of Writers Guild of America West are to be presented to WGAW this week (Sept. 26). The Guild is then expected to hold a referendum and membership meeting on the recall. Petitioners have long been dissatisfied with the members of the TV-radio board on the grounds that they have consistently voted against the will of the membership. Latest example: The membership, at a meeting, overwhelmingly recommended that writer Sam Newman be made the Guild's fulltime, paid representative on the industry fact-finding committee to establish a royalty plan. The TV-radio board, which had opposed this, passed the issue to the council, which voted for a fulltime, paid member to the committee, but specifically ruled out any writer, thus eliminating Newman. The Guild council has not yet named a committee to pick its representative on the industry committee.

Protest against cutting of movies to fit TV time slots was lodged last week by Directors Guild of America with Assn. of Motion Picture Producers Pres. Eric Johnston. Making specific reference to the post-1948 movies now headed for TV from the major studios, DGA charged that such editing would yield "tortured facsimiles" of the films, thus "defrauding" the public. Having lost out on the economic level, said DGA, it didn't want to lose on the artistic level.

Hollywood movie tycoon Jack L. Warner said last week that TV is now an equal partner within the motion picture industry. This remark would have been considered rank heresy a few years ago, coming from such a cinema pillar as Warner. "The period of pioneering & uneasy adjustment is over," commented the president of Warner Bros., which now has 7 TV series.

Desilu Productions exec. vp Martin Leeds' contract with the company is near settlement. He reportedly will receive approximately \$650,000 for his contract and his 35,000 shares of Desilu stock. Leeds and Desilu Pres. Desi Arnaz had decided to part because of increasing policy differences (Vol. 16:38 p13).

Revue Studios will complete its 2 new stages about Dec. 1, for a total of 26. When MCA acquired the studio from Universal-International nearly 2 years ago, U-I had 19 stages, but Revue has been expanding since.

Screen Gems plans production of a pilot, *Riviera*, in October, with Mike Connors in the lead. Producers are Clarence Greene & Russell Rouse.

20th Century-Fox is filming *3 Wishes*, a March of Dimes TV show starring Debbie Reynolds & Stubby Kaye.

**People:** Warner Bros. has assigned Mack David to produce 2 of its *The Roaring 20s* . . . Franklin Rohner of CBS-TV's talent & contract properties dept. in Hollywood has shifted to program-development staff as program associate . . . Warner Bros. is lending Efrem (77 *Sunset Strip*) Zimbalist Jr. to United Artists to star with Lana Turner in the movie "By Love Possessed." . . . Dick Brill, ex-CBS-TV producer, has been signed by ABC-TV's Selmar Productions as staff producer, and he will develop film & tape shows. His first assignment is as associate producer on the new daytime show, *Morning Court* . . . 20th Century-Fox renewed the contract of Gardner (*Adventures in Paradise*) McKay . . . Valentine Davies, first vp of the Academy of Motion Picture Arts & Sciences, became pres. of the Academy following the death of its pres., B. B. Kahane (see below). Second vp Wendell Corey became first vp.

## NEW YORK ROUNDUP

Cal. National Productions' new adventure-drama series, *The Blue Angels*, sold in 104 markets, may also reach the network level in 1961. A CNP promotion effort is under way for a 60-min. taped *Blue Angels* episode starring Ernest Borgnine, who will introduce actual Blue Angel skippers in a capsule history. NBC is considering it as a salute to U.S. naval aviation on its 50th anniversary.

ABC Films will distribute its complete films-for-TV catalog in major European markets through Robin International Films, Ltd. of London. The latter firm will maintain a sales force in the United Kingdom, France, Belgium, Germany, Italy, Spain and the Scandinavian countries. Series will be dubbed into German, French, Spanish, Italian.

Official Films has sold first-run "Greatest Headlines of the Century" to the Armed Forces TV Service for distribution to 25 overseas bases . . . Screen Gems has sold *Two Faces West* to debut in October in 146 markets, and *Manhunt* in 160 markets for its second year of first-run.

Audio Techniques Inc., a film & tape sound recording service has been formed in N.Y. (247 W. 46th St.) by John H. Beaumont, formerly with Ampex Audio's United Stereo Tapes div., Lawrence J. Kreger, ex-Transfilm-Caravel, and Howard M. Lawrence, ex-Robert Lawrence Productions.

Freddie Fields Associates, newly formed talent agency & production company (Vol. 16:38 p13), has signed Phil Silvers. It will also handle Tranen Corp., Patrick Productions and Silvers Enterprises for Silvers and his associates.

**People:** William Andrews has been named ITC gen. sales mgr. . . . Carl H. Goldstein has been appointed Screen Gems sales rep in San Juan, P.R. . . . Oliver Unger, NTA pres., has left for Europe to survey the TV market.

### Obituary

B. B. Kahane, 68, Columbia Pictures vp and pres. of the Academy of Motion Picture Arts & Sciences, died Sept. 18 in Las Vegas, Nev., of a heart attack. Before joining Columbia in 1936, he had been pres. of RKO Studios and RKO Pathé, and for a time was also production head of RKO. In recent years he had been one of the movie industry's principal labor negotiators, and played an active role in the critical talent-guild negotiations last spring. He is survived by his widow, a daughter, a son and 2 brothers.

## Networks

### More about

**SEC. 315 EXIT PROVES COSTLY:** Lifting of Sec. 315 by Congress was a tactical victory for network management & publicists, but lately it's been causing little joy in network sales offices. Never have political candidates had so much free time—and never have there been so few orders in the house for paid network political telecasts (see p. 3).

Most networks had counted on election-year political revenues, and time periods for political telecasts were to be sold at rates allowing less discount than that given regular advertisers. Both Democrats & Republicans, at network urging, had begun making reservations as far back as January. Networks warned sponsors that there would be political pre-emptions in the fall, for which advertisers would not be reimbursed, and most sales contracts were thus worded.

But with Sec. 315 suspension has come a bumper crop of for-free political TV exposures: The 4 upcoming debate shows on all 3 networks, the multi-program *Presidential Countdown* series on CBS-TV, the 60-min. *The Candidates & the Campaign* series on NBC-TV, plus Kennedy-Nixon appearances on Walter Winchell's new ABC-TV show, *Person-to-Person*, and *Face the Nation*. ("Don't be surprised if they pop up as 'mystery guests' on *What's My Line*," cracked a CBS executive last week.) Nobody can guess how many millions in free TV time will be given to the major parties before the election—although, of course, many of the shows featuring the candidates have sponsors.

Here's the lineup, as reported to us last week by network officials in charge of political time sales:

**ABC-TV:** The Democrats used a paid-for 30-min. segment on ABC Sept. 20, and still have a half-dozen 5-min. segments, ordered months ago, and a regional N.Y. state one-shot. The Republicans have a sprinkling of 5-min. ABC orders, but no major time orders. And that's it.

**CBS-TV:** Both parties have reserved 60-min. segments between 10 p.m. & midnight on election eve, and also have 30-min. segments scheduled for Oct. 3 (Republicans) and Oct. 5 (Democrats), plus a few 5-min., within-program segments. Admitted William J. Fagan, mgr. network sales: "It's all very vague this year. In 1956, we were buttoned up tight on political sales right after the conventions, and the 2 parties had 14 major program segments between them. This year, they've got 4, and we're not sure about them."

**NBC-TV:** The Democrats have already canceled two 30-min. segments ordered on NBC (one of which was for Sept. 29), are holding orders for "several" 5-min. periods, but have no other pre-election commitments for major time periods. The Republicans are following a similar course, holding onto some short time periods but avoiding any firm NBC deals for longer-length segments. "The Republicans may order some after their Sept. 29 fund-raising dinners in major cities, but we don't expect them to buy too much," said vp William Hedges.

All 3 networks agreed on these points: If the political parties feel that the "publicity exposure" is enough, even though they do not control program formats, the situation won't change much before election. But if political strategists decide that the controlled, do-it-yourself atmosphere of paid telecasts is necessary to get special points across to the electorate, there may be a last-minute rush to buy network time. Meanwhile, the political parties are having an unprecedented free ride.

### More about

**DEBATE ON TV DEBATES:** An attempt by Kennedy's press secretary, Pierre Salinger, to make last-minute changes in ground rules for the forthcoming Nixon-Kennedy TV debates drew a sharp, joint reply from the networks. News chiefs (John Daly, ABC; Sig Mickelson, CBS; Joseph Keating, MBS; William McAndrew, NBC) were obviously annoyed that Salinger wanted to revamp the Nixon-Kennedy panel shows, particularly since the candidates' representatives had originally insisted on modifying the original network concept of face-to-face argument to one of panels.

On Sept. 19, Salinger phoned CBS News Pres. Mickelson to demand print-media representation on each Nixon-Kennedy show, and to say that the lineup of correspondent-panelists named by the networks for the first show was "unsatisfactory." Then he released the contents of a follow-up telegram which said essentially the same thing.

Replied the network news chiefs in their joint statement: "It is the opinion of the networks that the composition of the panels participating in the 4 programs does not fall within the jurisdiction or purview of the candidates or their representatives." Since the first air date of the debates was to come up this week (Sept. 26), this was no time to start monkeying with basic formats & personnel, the TV newsmen indicated. Said they: "The networks must ask immediate confirmation by telegram that the programs will be presented on the basis of the discussions held in Washington . . . in view of the urgent demands of time . . ."

On Sept. 21, Salinger changed his mind—at least for the moment. He informed the networks that the Sept. 26 show would go on as planned, but asked for a meeting to discuss possible changes in later shows.

When we asked ABC-TV news & public affairs vp John Daly whether he felt any changes would be made, he replied: "Not if we can help it. As far as we're concerned it's a closed issue." As things stand now, the opening show & the 4th show in the debate series will feature network newsmen as panelists. The 2nd & 3rd shows will have a combination of network & print newsmen.

For the opening debate, the panel selection decided last week was: Sander Vanocur, NBC; Robert Fleming, chief of ABC's Washington bureau; Stuart Novins, CBS News, who also serves as moderator of *Face the Nation*; and Charles Warren, head of MBS's Washington bureau. Final details were worked out simultaneously in Washington, N.Y. and Chicago by a committee representing the networks & the candidates.

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On related debate fronts, 2 other events were scheduled meanwhile. In Hopewell, N.J., pollster George Gallup had set up a 60-person test panel to provide a minute-by-minute viewing reaction to the Nixon-Kennedy clash as part of his continuing poll of pre-election public attitudes. In Washington, the White House announced that President Eisenhower would make his first political speech of the 1960 campaign at a Sept. 29 fund-raising dinner to be closed-circuited to 36 cities by TNT.

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More than 100 news & public-affairs specials will be seen on NBC-TV in the 1960-61 season. The new schedule is an increase of 35% over last season and 100% more than in 1958-59. It is under the supervision of News vp William R. McAndrew, dir. news & public affairs Julian Goodman and exec. producer Irving Gitlin.

**NBC-TV Buying 20th-Fox Movies:** A network feature deal—the first to promise post-1948 Hollywood-made features to network audiences—is in the final stages between NBC-TV & 20th Century-Fox (Vol. 16:37 p6). As blueprinted between NBC programs & talent vp David Levy and his onetime Young & Rubicam boss, TCF-TV Pres. Peter Levathes, the plan calls for the use of major features on NBC Sat. 9:30-11 p.m., starting in Jan.

To complete the circle, Y&R itself is said to be first in line to buy the series on behalf of several agency clients. There are no details yet on titles, but the pictures will be late-post-1948s (*circa* 1955 or newer). The deal is not in conflict with release of postwar 20th-Fox features via NTA. The group of features recently assigned to NTA are all from the early-post-1948 period.

CBS-TV public-affairs & news specials have been bought by the Australian Bestg. Commission for 1961 telecasting. The sale, through CBS Films, included: *CBS Reports; Eyewitness to History; 20th Century; Tomorrow.*

### NETWORK SALES ACTIVITY

#### ABC-TV

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Sept.  
*Peter Paul* (Dancer-Fitzgerald-Sample)  
*Amer. Chicle* (Dancer-Fitzgerald-Sample)

Sugarfoot-Bronco, Tue. 7:30-8:30 p.m., part. eff. Sept.  
*Peter Paul* (Dancer-Fitzgerald-Sample)  
*American Chicle* (D-F-S)

American Bandstand, Mon.-Fri. 4-5:30 p.m., part. eff. Sept.  
*Beech-Nut Life Savers* (Young & Rubicam)

Action cartoon series, Mon., Tue., Thu. 5:30-6 p.m., participations eff. Sept.  
*Sweets Co. of America* (Henry Eisen)

Daytime programming, Mon.-Fri., part. eff. fall 1960.  
*General Foods* (Young & Rubicam)  
*Cracker Jack* (Leo Burnett)  
*Noxema Chemical* (Sullivan, Stauffer, Collwell & Bayles)  
*Pan-American Coffec Bureau* (BBDO)

#### CBS-TV

Christmas Startime, Dec. 25, 5-6 p.m., full sponsorship one-time special.  
*Ford Motor Co.* (J. Walter Thompson)

Sunday Sports Spectacular, 13 Sun. afts., co-sponsorship eff. Jan. 8.  
*Joseph Schlitz Brewing* (J. W. Thompson)

Rawhide, Fri. 7:30-8:30 p.m., participations eff. Oct.  
*Colgate-Palmolive* (Lennen & Newell)

My Sister Eileen, Wed. 9-9:30 p.m., co-sponsorship eff. Oct.  
*Pillsbury Mills* (Campbell-Mithun)

Daytime programming, Mon.-Fri., participations eff. Oct.  
*Remington Rand* (Young & Rubicam)  
*Quaker Oats* (J. Walter Thompson)  
*American Home Products* (Ted Bates)

#### NBC-TV

Riverboat, Mon. 7:30-8:30 p.m.; Outlaws, 7:30-8:30 p.m.;  
*Dan Raven*, Fri. 7:30-8:30 p.m.; Westerner,  
Fri. 8:30-9 p.m.; Daytime programming,  
Mon.-Fri. Participations all eff. fall 1960.  
*Mogen David Wine* (Edward H. Weiss)

The Lone Ranger, Sat. 11:30 a.m.-12 noon, GM co-sponsorship eff. Oct. 1; BNLS eff. Jan. 1961.  
*General Mills* (D-F-S).  
*Beach-Nut Life Savers* (Y&R)

Licensing of networks will be considered seriously by the next Congress, Rep. Mack (D-Ill.) told the fall meeting of Ill. Bstrs. Assn. in Urbana last week. Said he: "The present over-indulgence in escapist programming, of which Westerns, whodunits & rock-&-roll are all too familiar examples, does not meet the broad range of listener demands. Many members of Congress, including myself, are convinced that the Communications Act, in focusing exclusively on the station licensees, does not subject to regulation those organizations which are responsible for the bulk of programs seen & heard by the American public." He also said he favored giving FCC authority to suspend licenses, stating that "responsible broadcasters have nothing to fear" from it. In the last session of Congress, the House passed a bill including suspension authority, but the Senate rejected the provision, and it was excluded from final law.

ABC's latest South American deal is between the network's international div. and Primera Television Ecuatoriana, S.A. of Guayaquil, Ecuador. Joint announcement of a working agreement was to be made Sept. 26 by PTE gen. mgr. Jose Rosembaum and AB-PT international div. vp Donald W. Coyle. ABC will furnish the Ecuadorian station, a vhf outlet (Ch. 4) located in the country's largest city & leading seaport, with "engineering, technical, programming and sales assistance, as well as financial aid." ABC, which has been active on the international scene in recent months, also has overseas agreements with the 5-country Central American TV network, and with broadcasting concerns in Caracas, Venezuela and Beirut, Lebanon. ABC also holds a minority interest in the News Ltd. of Australia. PTE's initial schedule, due to start in a few weeks, calls for 20 hrs. weekly of programming, of which 75% will be film.

Profit for NBC Radio in the first quarter of 1961 is now assured by "net sales of over \$1,250,000 during the last 3 weeks," said William E. McDaniel, NBC Radio network vp, last week. "This," he added, "assures NBC Radio affiliates of substantially higher level of compensation during the first quarter of 1961 than was paid them in the first quarter of this year." Currently, NBC Radio is in the black for "the first full year since the early fifties," he pointed out, giving credit to NBC's revamped (news, commentary, music, no entertainment frills, no soapers) network format and the cooperation of "our full 200-station affiliate body." By coincidence, in N.Y. CBS Radio was making plans last week for a Sept. 28 press conference at which time an NBC-type revision of CBS Radio programming (10-min. news on the hour, 5-min. news on the half-hour, no soap operas, etc.) was to be announced. Affiliate compensation will be curtailed.

N.Y.-to-London newsfilm feed was achieved Sept. 21 by NBC, marking the first time that the BBC-TV's Transatlantic cablefilm process had been sent directly from N.Y. The feed was a 30-sec. clip of film showing Soviet Premier Khrushchev at the UN looking at a magazine caricature of himself. It was originally recorded on tape by NBC, then kinescoped & fed into the cablefilm equipment. On Sept. 22, NBC repeated the experiment, feeding a 1-min. clip of President Eisenhower's address at the UN for same-day telecasting in Britain & Western Europe. The latter transmission—for the first time—was also relayed in Europe by Intervision, which reaches Warsaw, Prague, Belgrade and other cities behind the Iron Curtain. Running time on the cable for the Eisenhower footage was 100 mins. The equipment used was built by BBC, but is owned by NBC and installed in its N.Y. studios. The system has been used for London-Montreal-N.Y. transmissions, with BBC originating the feeds (Vol. 15:6 p5 et seq.).

## Stations

**NEW & UPCOMING STATIONS:** CFCN-TV (Ch. 4) Calgary, Alta. moved up its target and began regular programming Sept. 10, using a temporary 100-ft. tower & temporary studio-transmitter building. It plans to be in operation with full 55-kw ERP and permanent facilities by next March 1. It has a 5-kw Canadian GE transmitter. Wind Turbine Co., which installed the 100-ft. tower, will replace it in November with a 344-ft. structure, topped by 8-slot directional antenna. Construction on permanent studio-transmitter housing began Sept. 1. Ownership interlocks with radio CFCN. CFCN-TV officers are H. Gordon Love, chmn.; James A. Love, pres.; Gordon L. Carter, exec. vp; and Robert W. Lamb, vp, engineering. Key personnel include Hugh Edmunds, ex-CFQC-TV Saskatoon, program mgr.; William N. Love, news dir.; Mrs. Jean Bown, ex-radio CFCN, traffic mgr. Base hour is \$240. Reps are Young Canadian and Television Representatives Ltd. CFCN-TV is Canada's 71st TV outlet.

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

**KEZI-TV (Ch. 9)** Eugene, Ore. has a 35-kw GE transmitter due Oct. 15 and plans to start with ABC-TV between Nov. 10 & 15, writes mgr. Marvin A. Krenk, ex-KVAL-TV Eugene, Ore. Walls are up for studios at 2225 Coburg Rd. Foundation is in for transmitter house in Coburg Hills. It will use 200-ft. tower furnished by Tower Sales Erecting Co. Leo Reetz, ex-KOAC-TV Corvallis, Ore. will be chief engineer. Base hour will be \$395. Rep will be Meeker.

**CBUAT (Ch. 11)** Trail, B.C. planned by CBC to be satellite of CBUT (Ch. 2) Vancouver, plans to begin programming Nov. 1, following Oct. 15 tests. Canadian GE 150-watt transmitter is on hand. It will be automatic unattended repeater unit, included as bonus to CBUT, which has \$680 hourly rate.

**CBUAT-1 (Ch. 9)** Nelson, B.C., also planned by CBC to be satellite of CBUT Vancouver, has Dec. 1 target. It will use 150-watt Canadian GE transmitter, will have antenna on existing 67-ft. telephone company tower. It also will be automatic unattended repeater, as bonus to CBUT.

CBC's Sturgeon Falls, Ont. Ch. 7 French-language outlet has a Jan. 1961 target. Tenders are out for equipment & for building construction. Call letters not chosen.

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RCA shipped a 2-kw transmitter Aug. 25 to upcoming KCND-TV (Ch. 12) Pembina, N.D., due this fall. TV tape recorders shipped in the week of Sept. 5: Single monochrome units to KHQ-TV Spokane, Wash.; U. of Indiana, Bloomington; and TV Tapatio, Monterey, Mexico. Also a color unit to WBRE-TV Wilkes-Barre, Pa. TV tape recorders shipped in the week of Sept. 12: Single monochrome units to WTVD Durham-Raleigh, WTEN Albany, N.Y., and WAFB-TV Baton Rouge. Also a color unit to Walter Reed Hospital, Washington, D.C. Week of Sept. 19: 50-kw transmitter to WLBW-TV (Ch. 10) Miami and monochrome TV tape recorder to Brigham Young U., Provo.

New promotion stunt is planned by WNTA-TV New York on behalf of its 20th Century-Fox post-1948 package. A movie quiz on Mondays 6:30-7:30 p.m. will show selected trailers from new features, followed by random phone calls from the station asking viewers to identify the films from their trailers. The prize for a correct identification is \$13.

**NAB's Atlanta Agenda:** "People & Profits" and "Broadcasters & Politics" will be the themes of the 2 joint TV-radio sessions during the first day of NAB's first fall conference—in Atlanta's Biltmore Hotel Oct. 13-14. The 2nd day will be split into simultaneous TV-only & radio-only meetings.

"Politics," said acting administrator & secy.-treas. Everett E. Revercomb, "is the most important problem facing broadcasters today and will be the subject of a study in depth in all its phases."

First-day luncheon speaker, Policy Committee member G. Richard Shafro, WIS-TV Columbia, S.C., will cover Committee's handling of NAB affairs since Pres. Harold Fellows' death. Oct. 14 speaker will be Noah Langdale Jr., pres. of Georgia State College of Business Administration.

The 2 open-day topics will be covered through speeches, discussion and round tables. The morning session will be led by Howard H. Bell, industry affairs vp; the afternoon by govt. affairs vp Vincent T. Wasilewski.

On the 2nd day, TV vp Charles H. Tower will preside over a session including presentations by spokesmen for TvB, Code Review Board, Ft. Wayne department-store study & TIO. Tower will discuss pay TV & allocations, among other topics.

Radio vp John F. Meagher will lead the radio session covering Radio Code, engineering, stereo, public relations. Included is a speech by C. L. (Chet) Thomas, KXOK St. Louis, who will draw on his 32 years in the industry in "observations of a practitioner."

The remaining conferences: Dallas Oct. 18-19, San Francisco Oct. 20-21, Denver Oct. 24-25, Omaha Oct. 27-28, Washington Nov. 14-15, Chicago Nov. 21-22, New York Nov. 28-29.

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NAB Convention Committee met in Washington last week, began discussion of the program for its 1961 convention in Washington May 7-11, and reaffirmed its registration & exhibition policies. Registration is open to all NAB members & those ineligible for membership, but attendance at some management-ownership conferences is limited to active members. Only manufacturers of technical equipment may exhibit, but all registrants may maintain hospitality suites. Co-chmn. of the committee are Merrill Lindsay, radio WSOY Decatur, Ill. and Dwight W. Martin, WAFB-TV Baton Rouge.

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**Reception of KING-TV (Ch. 5)** Seattle programs in lower B.C. & Vancouver Island has been disrupted by boost to 100 kw by CHEK-TV (Ch. 6) Victoria, B.C. and was the subject of a special hearing held this month in Vancouver by BBG. Ruling is expected early in October on whether or not to cut back CHEK-TV power to allow U.S. reception.

New facilities: KFDM-TV Beaumont, Tex. has a Jan. 1 target for its move to the new 16,000-sq.-ft. building now under construction at 2955 Freeway West • WTIC-TV Hartford, Conn. has completed the basement and begun work above ground on its \$2-million, 4-story Broadcast House in the city's new Constitution Plaza. It's due for completion in spring 1961.

"Radio Station Management," by J. Leonard Reinsch & Elmo I. Ellis, will be published Sept. 28 by Harper & Bros., 49 E. 33rd St., N.Y. Reinsch, exec. dir. of WSB-TV & WSB Atlanta, is Sen. Kennedy's communications consultant, was exec. dir. of the last 2 Democratic national conventions. Ellis, mgr. of WSB programming, production & news depts., assisted Reinsch at the conventions.

**WPST-TV Miami Gets Breather:** Sept. 30 "execution date" for WPST-TV (Ch. 10) Miami—the date FCC ordered it to quit in the celebrated "influence" case (Vol. 16:29 p1)—was postponed by the Commission last week.

FCC took the action after WPST-TV complained bitterly to the Court of Appeals that the Commission was ordering it off the air without giving the Court a chance to consider WPST-TV's challenge of the decision (Vol. 16:33 p5). FCC thought this over, told the station it could keep going until 15 days after the Court acts. The Court can act on the basis of the papers before it or it can order an argument. There's no telling when it will decide.

WPST-TV's latest filing asserted that if it went dark Sept. 30 and the Court later reversed the Commission, both it & the public would suffer irreparable injury.

Elzey Roberts' efforts to get a crack at Ch. 10 (Vol. 16:34 p9) is due to be rejected, FCC said, reporting that it had instructed its staff to draft a decision to that effect.

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NBC & KTVU San Francisco wound up a round last week in the San Francisco U.S. District Court when Judge Harris granted their request for a stay in the anti-trust suit filed by KRON-TV San Francisco. The Judge said the suit would stand still until FCC ruled on NBC's purchase of KTVU. He added, however, that any time KRON-TV thought it was about to be hurt—i.e., lose its NBC-TV affiliation—it was always free to request an injunction against NBC. KRON-TV's NBC affiliation expires June 30, 1961. If the contract is standard, and there's no reason to believe it isn't, the affiliation is cancellable by either party on 6 months' notice. Therefore, if NBC intends to pull out, it would have to notify KRON-TV by Jan. 1.

**Sale of WBIR-TV (Ch. 10)** Knoxville & WBIR for \$3.25 million to the owners of WFBC-TV (Ch. 4) Greenville, S.C. (WMRC Inc.) by Taft Bctg. Co. has been negotiated. The buyer is controlled by the *Greenville News-Piedmont*, which also publishes the *Asheville Citizen-Times* and owns radio WWNC Asheville. WMRC Inc. also owns radio WORD Spartanburg, S.C.

**Sale of WKST-TV (Ch. 33)** Youngstown, O. & radio WKST for \$1.4 million by Samuel Townsend to Ted Estabrook & John T. Valdes, owners of WCUE Akron, has been announced. The purchasers are buying 81.2% of the station for \$975,000. They hold option on the remaining 18.8%, for which they will pay \$225,000. The deal also includes a \$200,000 consulting agreement with Townsend.

**KBLR-TV (Ch. 10)** Goodland, Kan. has been sold to Standard Electronics div. of Reeves Instrument Corp. through bankruptcy proceedings, for assumption of approximately \$200,000 in liabilities. Radio KBLR has also been sold—to the owners of KAYS-TV (Ch. 7) Hays, Kan. for \$50,000.

Storer's radio WWVA Wheeling, W.Va. has been sold for \$1.3 million cash to a group headed by Ira Herbert in a transaction negotiated by broker Edwin Tornberg & Co. The buying group includes admen Emil Mogul & Milton Biow. The deal is contingent on FCC approval of Storer's purchase of WINS N.Y. for \$10 million (Vol. 16:31 p9).

WMGM N.Y. isn't for sale, said Loew's Theatres Chmn. Lawrence A. Tisch last week. He stated he wished to put an end to rumors that the independent radio outlet was on the block, and said the theater chain (which took the station over in 1959 from movie-making MGM) had "no intention of disposing of WMGM at any price . . . It is an extremely important asset to the company."

Injunction prohibiting payola was issued in Philadelphia last week against 11 record distributors & 28 disc jockeys after the distributors and 14 of the disc jockeys had signed consent decrees, with District Attorney Victor H. Blanc, which gives them immunity from prosecution for payola activities before March 1, 1960. The injunction was issued by Common Pleas Court Judge David L. Ullman. The djs who haven't signed consent decrees, many of them out of town, have until Oct. 10 to sign. Blanc said he was unable to proceed against the parties with criminal indictments because they refused to testify. In N.Y., he noted, the district attorney can issue subpoenas to the parties, grant immunity to the distributors and thus develop a criminal case. Under Pennsylvania law, district attorneys have neither subpoena nor immunity-granting power. Blanc therefore took action in a civil proceeding. The distributors involved are: Universal Record Distributing Corp., Jamie Record Co., Sparks Music Distributors, Edward S. Barsky Inc., Marnel Distributor Corp., Main Line Distributors Inc., David Rosen Inc., Lesco Distributors, Bernard Lowe Enterprises, Chips Distributing Co., Raymond Rosen & Co., Inc.

Two anti-payola consent decrees were approved by FTC last week, signed by Pacific Record Distributors, 2663 W. Pico Blvd., Los Angeles, and Fiesta Record Co., 1619 Broadway, N.Y.

Triangle stations last week obtained a temporary stay by agreement of defendant in N.Y. Supreme Court to restrain Seven Arts Associated Corp. from selling the post-1949 Warner Bros. pictures in Triangle's markets (WFIL-TV Philadelphia; WNBF-TV Binghamton, N.Y.; WLYH-TV Lebanon, Pa.; WFBG-TV Altoona-Johnstown, Pa.; WNHC-TV New Haven, and KFRE-TV Fresno). Triangle charges that its purchase of 750 Warner Bros. movies in 1957 from Associated Artists Productions included an option for exclusive market rights to all post-1949 Warner pictures at \$4,000 a feature, subject to escalation. The suit seeks to restrain AAP, and its successor P.R.M.—and 7 Arts. Triangle claims that the last named company (which is presently marketing the films at \$15,000 per feature plus 15% more for color) was organized to avoid the Triangle option and that the principal in both firms is Eliot Hyman.

N.Y. Daily News (owner of WPIX, N.Y.) has bought an interest in WNCN N.Y., FM outlet of the Concert Network. The newspaper & the network will be partners in the ownership & management of the station. The management of WPIX will represent the *News* in the operation of WNCN, with H. Stilwell Brown as gen. mgr. WNCN operates on 104.3 megacycles, transmitter on Hotel Pierre.

**Sale of radio KFOX Long Beach, Cal.** for \$850,000 by Kenyon Brown, Bing Crosby & Kevin Sweeney to Washington businessman Robert Symonds and TV-radio performer Max Resnick has been negotiated. Resnick also owns WYOU Norfolk, Va. Broker was Blackburn & Co. The Brown group bought KFOX 2 years ago for \$750,000.

**KHJ-TV Los Angeles** promoted its newly acquired feature movies to Eastern advertisers & agencies last week aboard a small yacht, sailing twice daily out of the N.Y. Yacht Basin. More than 200 people were entertained at a shipboard luncheon or cocktail party, saw a montage of the movies before sailing.

**WOW-TV Omaha** is using a "Canadian Mountie" to promote its syndicated series *R.C.M.P.* The costumed horseman patrols the co-sponsoring grocery chain's parking lots, passing out descriptive leaflets on the program.

## Advertising

**TV & Print To Be Measured:** To aid advertiser selection of national TV-print combinations, A. C. Nielsen Co. will soon—through Nielsen Media Service—furnish admen with data on 12 major consumer magazines & all sponsored network TV programming, by measuring audiences in the same national panel. The magazines (including 3 supplements) are: *Life, Look, McCall's, Reader's Digest, Saturday Evening Post, American Weekly, Better Homes & Gardens, Good Housekeeping, Ladies Home Journal, Parade, This Week and True Story*—and more may be added later.

NMS clients (*Life, Chrysler, J. Walter Thompson, Westinghouse Electric and Maxon Agency to date*) will receive (beginning in February) 3 categories of information: (1) A yearly report on total audiences of 12 magazines. (2) Complete Nielsen TV index data. (3) Special reports on audience reached by magazine & TV combos.

The new Nielsen project aims to save the adman the task of guessing at the comparative sizes of magazine & TV program audiences. Instead, he may compare similar data on "issue" audiences & program audiences. "This is vital to national advertisers, since broadcast & print are so often combined in schedules," said project consultant Dr. Darrell B. Lucas last week.

Magazine & TV tests will be conducted, in part, in the same homes. Samples will be chosen by age, sex, income-level, education, size of family, geographic location.

Ted Bates invades Canada with its latest international tieup. It has signed a merger agreement with Spitzer & Mills, a major Canadian agency. The new agency (Spitzer, Mills & Bates), operating in Toronto & Montreal, "will maintain full autonomy" and "Canadians will continue to run the business." Bates, which made a tieup last year with Britain's Hobson Agency (now Hobson, Bates & Partners), currently claims to be the 5th largest agency in the world. Combined billings for its New York, Hollywood, London, Toronto & Montreal operations are now above \$150 million annually, and personnel exceeds 1,100. Current billings for Spitzer & Mills in Canada, for more than 30 clients, is nearly \$7 million. TV-oriented Bates is expected to exchange teams of creative personnel in the near future with its new Canadian partner.

Crest retail sales rose 60% during August over July, reports Sindlinger & Co. The P&G toothpaste which won ADA endorsement last month (Vol. 16:32 p6) increased its share of the market from 12.2% in July to 19.2% in August—a 39% increase. According to Sindlinger's survey, 66% of Crest's August purchasers were former Crest users; 34% were brand switchers—13% from Gleem (P&G's own competing brand), 6% from Pepsodent, 5% from Ipana, 10% from all others.

Advertising Federation of America moved hq Sept. 20 to 655 Madison Ave., New York 21, and changed telephone to Templeton 8-0325.

**Ad People:** David C. Stewart promoted from exec. vp to pres. Kenyon & Eckhart; William B. Lewis elected chmn.; Edwin Cox named exec. committee chmn. . . . Gertrude Brooks, Paul Gioni, Otis Winegar, Stanley Baum elected vps, Dancer-Fitzgerald-Sample . . . Eleanor Accles, ex-Adams & Keyes, named Cunningham & Walsh media-services supervisor.

**Gas, Tobacco, Beer Up In Billings:** Gross time billings for gasoline, tobacco and beer accounts in national spot & network TV for 1960's first half showed "a marked increase" compared to the like period in 1959, reports Tvb.

Gasoline companies expanded their TV ad dollars to \$21.3 million, a 45% increase over the \$14.7 million last year. Spot TV got the bulk of the increase, according to Tvb, because of its "regional flexibility." Top advertisers (with total billings): Texaco, \$6,393,830; Esso Standard Oil, \$1,508,100; Mobil Oil, \$1,439,000.

Tobacco advertising on network & spot TV was Tvb-measured for an 11.5% increase over the first half of 1959. Billings this year: \$58.9 million, against \$52.8 million a year ago. Network TV got the bigger share. Leading advertisers and their billings: R. J. Reynolds, \$10,446,396; Brown & Williamson, \$9,090,871; P. Lorillard, \$8,616,457; American Tobacco, \$8,610,591.

Brewing companies boosted their TV ad billings from \$24.5 million in 1959 to \$26.3 million for the first half of this year. Of the total, \$22.9 million was for spot TV, Tvb reported, with only \$3.4 million going for network. The leading brewery TV advertiser was Anheuser-Busch with \$2,334,241. Other major spenders: Schlitz, \$2,220,906; Falstaff, \$1,794,476; Carling, \$1,770,910.

Alfred Hitchcock's gentle gibes at his TV sponsors' commercials will be continued this fall, even though his new sponsor is Lincoln-Mercury div. of Ford, and auto firms are notoriously humorless about having their ad copy teased. That was the word from the rotund host-producer of *Alfred Hitchcock Presents* (now switched from CBS-TV to NBC-TV) as he tackled a Hitchcock-scaled supper (goulash, roast ham, veal pie, French pastry) at Luchow's. He won't give Ford the treatment all at once, however. "We will start off by being benevolent in our approach to their motor-car commercials," he told us, adding, "but it won't last." Hitchcock can afford an independent attitude —his no-salary, share-of-the-gross cinema deal on "Psycho" will bring him (before taxes) about \$5 million

Roman-numeral TV channels caused a minor crisis at WNTA-TV N.Y. last week. As a promotion stunt for its *Play of The Week* opener, Shakespeare's "Henry IV," the station had planned the logo of its tune-in ads to read "Channel XIII." Then came the uncertainty: Do New Yorkers dig Roman numerals? Outcome: WNTA decided that the *N.Y. Times* and *Herald-Tribune* would carry the Roman-numeral designation as planned. But ads appearing in the *News* and other papers (whose readers, presumably, don't know that II and II make IV) were scheduled to carry the good old fashioned "Channel 13."

No anti-liquor complaints have been received by WPIX N.Y. concerning the station's schedule of 150 spot announcements currently running for Holland House. The firm manufactures a line of "cocktail mixes" which require addition of hard liquor. The spots, which demonstrate the mixing of drinks and use the word "liquor" several times, are being tested in the N.Y. market by Erwin, Wasey, Ruthrauff & Ryan, and will be expanded to other areas "if no further problems arise," said the agency.

Automobiles, food and gasoline are among major products making "successful use of both in & out-of-home radio," stated a Sept. 16 *Sales Management* article. The feature, discussing several multi-product advertisers who are buying spot radio for heavy-frequency, around-the-clock airing, reported marked sales boosts for Mennen, John Morrell & Co. (Red Heart dog food) and several cars.

## Programming

Equal play to national & regional-local news is given by most stations in TV-radio newscasts, said the Associated Press last week. Its survey showed that 65% of stations said they balanced news equally between national & non-national news, and 31% said they put greater emphasis on regional & local items. Only 4% said they gave primary emphasis to national news. The survey was conducted by an AP TV-Radio Assn. subcommittee headed by WBBM-TV Chicago news dir. William G. Garry. A total of 823 radio and 85 TV stations were checked. Details of the study are scheduled to be given to the annual meeting of the APRTA board this week (Sept. 26) in N.Y.

**Add public-service ideas:** N.Y. stations WOR-TV and WNTA-TV will launch educational series for the coming season. Documentary programs on the history of dentistry will be produced by WOR-TV in cooperation with N.Y.U. College of Dentistry for presentation on a closed-circuit TV system. The system was a gift to the college by RKO General and WOR-TV and programs will be made available to commercial & ETV stations as a public service. WNTA-TV will introduce a series of weekly seminars, *New Nations*, starting Sept. 24. Produced by Fairleigh Dickinson U., they'll feature guest representatives from new countries throughout the world.

"*Silents Please*," which has been something of a surprise hit as a Thu.-night sustainer on ABC-TV, may be continued in the fall. The show, produced by Paul Killiam & Saul Turrell and featuring 30-min. condensations of such quiet oldies as "Son of the Sheik," is being considered by ABC for slotting in the Sun. 11:15-11:45 p.m. period, following Walter Winchell's 15 min. An ABC-TV vp told us last week: "*Silents Please* pulled more press comment & more unsolicited mail than any other show we had on this summer."

Red Skelton will salute the UN's 15th anniversary with his first fall telecast on CBS-TV this week (Sept. 27). Skelton has been invited by the U.S. Committee for the UN to do the kickoff special ("Laughter—The Universal Language") live from N.Y. The show, Skelton's first Eastern effort in many years, will include 4 pantomime skits. The UN delegates are expected to attend as guests of honor. Whether Russia's Khrushchev, Cuba's Castro, Yugoslavia's Tito, et al. would attend wasn't known.

National defense is subject of a new NBC-TV public affairs series, *Victory*, now in production for fall 1961 under NBC news & public affairs exec. producer Irving Gitlin. *Victory* will be filmed with cooperation of the U.S. Dept. of Defense, announced Gitlin last week. The series is among several new Gitlin undertakings since he joined the network; others include this season's *White Papers*, NBC women's specials and *The Nation's Future*.

Fla. Assn. of Bestrs. is urging its members to editorialize regularly, Pres. Lee Ruwitch (WTVJ Miami) announced following the Assn.'s recent meeting. A kit including TV-radio editorial samples is going to members.

KDKA-TV Pittsburgh is syndicating to WSAZ-TV Huntington-Charleston, W. Va. a daily physical-exercise program conducted by its health dir. John Mills. This is the 2nd KDKA-TV show to go into syndication this year.

**Public service:** KPHO-TV (Ch. 5) Phoenix, Ariz., is telecasting a daily 30-min. high-school credit course. Required viewing for all American govt. classes at Phoenix Union High Schools, the course is viewed in the classrooms.

## Television Digest

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**Personals:** James T. Aubrey Jr., CBS-TV pres., named Brand Names Week planning committee chmn. . . . Thomas Chauncey, pres. of KOOL-TV Phoenix, named a member of President Eisenhower's delegation, headed by N.Y. Gov. Rockefeller, attending Nigerian independence celebration ceremonies this week . . . Pieter E. van Beek elected pres. of Teco Inc., company formed by Zenith to operate Phonlevision pay TV, succeeding S. I. Marks, who continues as treas. Van Beek also continues as Zenith asst. to pres.

Earle B. Harris named production mgr., International Telemeter (Paramount Pictures). . . . Everett L. Dillard, WASH Washington, designated chmn. of NAB FM Radio Committee . . . Mrs. Frederick A. Kugel succeeds her late husband (Vol. 16:37 p13) as pres. of Frederick Kugel Co., *Television* magazine publisher; John A. Thayer Jr. elected publisher; Kenneth Schwartz named editor.

P. A. Newton named A. C. Nielsen vp and mgr. of new Tokyo branch . . . Dr. Arthur D. Kirsch named to new post of research mgr., ARB . . . Orion Samuelson, ex-WBAY-TV & WBAY Green Bay, Wis., named farm service dir., WGN-TV & WGN Chicago.

Max D. Price promoted to sales vp of Fred A. Niles productions, succeeding Fred Foster . . . George L. Pierce named sales service mgr. of KABC-TV Los Angeles.

Newly-named Fellows of the SMPTE: Robert C. Rheineck, chief engineer, CBS News film production dept., N.Y.; Sigmund J. Jacobs, Naval Ordnance Lab; Edward P. Ancona Jr., color coordinator, color TV films, NBC-TV, Burbank, Cal.; George C. Higgins, assoc. head of physics dept., Eastman Kodak; Fred J. Scobey, technical dir., General Film Labs, Hollywood; Eldon Moyer, retired senior development engineer, Eastman Kodak; Morton Sultanoff, Aberdeen Proving Ground, Md.; John R. Turner, color technology div., Eastman Kodak; Richard S. O'Brien, dir., audio & video engineering, CBS-TV, N.Y.; Neal G. Keehn, vp, General Film Labs, Kansas City; Hubert Schardin, dir., German-French Research Institute, France; Jerome C. Diebold, exec. producer, Wilding Inc., Chicago; Richard E. Putman, mgr., studio & industrial TV engineering, GE, Syracuse; Charles W. Wyckoff, research engineer, Edgerton, Germeshausen & Grier Inc., Needham, Mass.

Meetings next week: Radio-TV News Directors Assn. convention (5-8), Queen Elizabeth, Montreal • NAB Best. Engineering Conference Committee mtg. (6), Washington.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**TV SALES DROP—DISASTER OR READJUSTMENT?** Storm clouds were first observed last May—a slight softening of the TV market (Vol. 16:28 p15). The thunderhead broke wide open in August.

Here's the picture in statistics: Distributor sales of TV sets to dealers in Aug. down 26% from Aug. 1959; Sept. sales to date even more dismal—more than a 30% drop from 1959, dissipating all of this year's increase over last. Retail sales in Aug. down nearly 10% from year ago, according to preliminary estimates—the first 1960 month they were lower than the corresponding 1959 month. End-of-Aug. inventories dangerously high in relation to sales pace and loaded with "obsolete" 17- & 21-in. sets.

What are the causes & what does it portend? From our conversations with industry leaders (some of whose most forthright views are quoted in story on p. 15), here are the plain facts:

Momentum of sales to dealers has been broken. Distributor sales this year probably will be slightly below last year's 6-million mark. Retail sales may total 6-6.2 million. Production schedules have been trimmed—but not fast enough to prevent excessive inventory build-up.

Industry production planning had been based on hot first half year when retail sales were 17% above 1959, running at 6.5-million pace. When market began softening, production brakes weren't applied fast enough or hard enough.

Industry changeover to 19- & 23-in. screens found distribution channels still glutted with 17- & 21-in. models, and many manufacturers still producing old sizes to use up parts ordered ahead. At factory & distributor levels right now there are enough 21-in. consoles to take care of entire console market for rest of year at present sales rate—a 20-week supply.

Inventories of consoles stood this way at end of July: Factory & distributor levels, 23-in. sets outnumbered 21-in. only 3-to-2; retail level, 21-in. outnumbered 23-in. by 3-to-1. In tables & portables, factories had slightly more 19s than 17s, but at distributor level, 17-in. inventories were 3-to-1 over 19-in. sets, and at dealers' the ratio was even higher.

On paper, total inventories hadn't risen phenomenally—numerically. But in proportion to sales rate, and in "mix," they caused some industry leaders to fear far worse dumps & liquidations than those already in progress if buildup continues. Factory & distributor inventories totaled 1,375,000 at end of Aug., nearly 100,000 over year-ago figure.

During year's first 7 months, dealers were loaded with 17- & 21-in. sets via dumps & package deals, and are now trying to digest these deals. Since retail sales slowed down, digestive process took longer than expected. Hence, dealers just stopped buying in Aug. & Sept. Already loaded with slow-moving appliances, many dealers are especially fearful of getting over their heads in TV inventories. And some are still holding out for real distress prices in TV.

Indicative of dealer buying strike is fact that retail inventories actually dropped 20,000 from end of July to end of Aug. despite retail sales slowdown, at a time of year when they normally would be increasing.

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Why the slowdown at retail? All sorts of reasons are given—all of them probably valid: (1) Public uncertainty about state of economy, largely as result of economic "gloom" talk. (2) Wait-till-election attitude of some buyers. (3) Late introduction of new models this year, and lack of real promotion of advantages of 19- & 23-in. sets to date. (4) Dealers' concentration of selling efforts on unloading air conditioners—particularly during Aug., which was only warm period this summer in many areas.

Radio situation is essentially similar to TV. Unlike TV, sales to dealers are still ahead of last year—but recently they've been down noticeably. Inventories are double those of last year at this time.

In face of all these facts, there's feeling of what might be called grim optimism pervading industry. Here are the arguments & forecasts: (1) Aug. retail sales still represented annual rate of about 6 million sets—better than last year's total 5.75 million and 1958's 5.14 million. Aug. 1959, used as comparison, was exceptional month, with sales at 6.7-million rate. (2) Personal incomes are at all-time high and recent surveys show slightly more disposition to buy consumer products in coming months. (3) Big ad-promotion campaigns for new screen sizes are just about to begin. (4) Fragmentary reports from field indicate good retail movement for Sept. in many areas. (5) Color set sales are up sharply.

Stereo sales are bright spot in picture. They haven't followed TV's recent pattern at all. Every manufacturer with whom we talked characterized movement of console & portable phonos as excellent. This is taken, too, as evidence that public can be made to buy—and to buy expensive products. Most forecasts for Oct.-Nov.-Dec. still envision return to better TV sales picture.

**Rx—CUT PRODUCTION, BOOST SALES EFFORT:** "The industry had better wake up and take action now instead of November. If manufacturers don't watch their production schedules, we could see some of the worst dumps & liquidations in the history of our industry."

That was the mince-no-words warning of Zenith Sales Corp. Pres. Leonard C. Truesdell, one of industry's most astute & respected merchandising experts. The always-forthright Truesdell, speaking from his vantage-point as consumer-products chief of TV's sales leader, was the most outspoken of the industry chiefs we asked for comment on the current TV sales picture (see story above).

TV market is "in state of collapse" as distributor level, he said—pointing to Aug. & Sept. sales to dealers—as result of topheavy inventories, particularly of 17- & 21-in. sets. He sternly cautioned against "wait & see" policies, urging far sharper production cutbacks to match sales. Recent drops in set output, he stated, haven't been enough. Pointing out that some 21-in. consoles are already being unloaded for the price of 19-in. table models, he said situation could become far worse by Jan.

"Manufacturers are just not using judgment in controlling inventory," said Truesdell. "This is further proof that our industry is loaded with people who are making sales far in excess of what they can realistically hope to sell. Dealers are loaded with junk already. It's no time to try for sales records just for the sake of setting records."

More-than-seasonal improvement in set movement was forecast by Truesdell for last 3 months of 1960. "I don't think Aug. & Sept. will set the pattern," he said.

As for Zenith, Sept. sales to dealers are running slightly ahead of last year—"but not the increase we had expected." Nevertheless, he predicted, Zenith again will sell more than a million sets this year, increasing its share of total industry sales. He added: "Our inventory position & production are in good shape and we're watching it like a hawk."

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"We have to put on our track shoes & start running. This is a selling academy." More aggressive selling—that's prescription of Westinghouse TV-radio's dynamic young TV-radio div. mktg. mgr. C. J. Urban.

Conceding that TV sales situation is "very alarming," he said he's still optimistic about rest of year at retail. I'm certain we can get it straight—it's just that the job's a little tougher than we anticipated."

"The industry was spoiled by that good first half. We got complacent. The transition from the 21-in. to the 23 has the public & the dealers puzzled. We obsoleted ourselves, and we haven't yet fully exposed our new product & its advantages."

"Anyone who ignores the situation is making a mistake," said Urban. Without real attention to selling and control over production, inventories could be tremendous next year, he added.

"The public has a record income, but there's only so much to go around," he said. "We're competing with all sorts of other products for the consumer's dollar." The big ad push for 19- & 23-in. sets is just beginning, he added. He said he expects retailers to cooperate. To some of them, it's question of sink or swim. Appliance & air-conditioner business has been so poor this year that "some dealers will have to close their doors unless they push the electronics business."

Initial reports from dealers show good TV sales in Sept., he said, predicting 1960 retail sales of a little more than 6 million. "Westinghouse will express its confidence by adding new 19- & 23-in. models—not replacements—to our line Oct. 17."

Promotion of new screen sizes should end doldrums, in opinion of RCA Sales Corp. sales vp R. W. Saxon. "While there has been a general softening of the TV market in the past few weeks," he said, "sales of RCA Victor merchandise are continuing to run ahead of last year." July-Aug. color set sales, he said, were more than double in the same 1959 months.

"We confidently expect the sales rate to improve even further as dealer advertising & promotion of the new merchandise is stepped up when the new TV season gets under way later this month," Saxon added. "We expect this to be a factor especially in color TV, with the big increase in scheduled colorcasts."

"We don't intend to get worried or excited unless this condition carries over until the end of Sept.," added another RCA spokesman.

An Admiral spokesman said his company had anticipated inventory buildup & market softness, particularly "in light of the appliance drop-offs & the general business situation." He said Admiral's distributor-to-dealer sales are still higher than last year and expressed optimism over the balance of the year.

"In Philco's case," said consumer products mktg. mgr. Robert G. Urban, "the number of week's supply of TV sets in distributors' hands is below last year's inventory level, which indicates Philco TV is realizing good movement from factory to consumer."

**PRESIDENTIAL ELECTIONS & TV SALES:** Despite all the hoopla about TV's influence on elections, it is difficult to determine just how much influence Presidential campaigns have on TV-set sales. In TV's short history, one Presidential campaign period showed higher-than-normal TV sales; the other, lower-than-normal.

Historically, there's no pattern at all. There have been 2 Presidential elections (1952 & 1956) since EIA started collecting monthly retail-sales statistics. Normally, sales for Sept. & Oct. total 22.6% of full year's sales (Sept. 12.4%, Oct. 10.2%). In 1952, Sept.-Oct. set sales were 27.8% of the year's total (Sept. 14%, Oct. 13.8%). The next Presidential year, 1956, saw sales sag during campaign months—to a lower-than-normal 21.3% (Sept. 11.3%, Oct. 10%).

There's no doubt that election campaign stimulated set buying in 1952, when many purchasers were buying their first TV sets. How much the campaign, in itself, stimulates replacement purchases is open to doubt. There is no doubt, however, that excitement about upcoming Nixon-Kennedy TV debates and election telecasts can provide another reason to buy now instead of later—given proper promotion. But there's no reason to believe that campaign & election telecasts will be anything more than a small plus this fall.

#### **TV-RADIO PRODUCTION:** EIA statistics for the week ended Sept. 16 (37th week of 1960):

	Sept. 9-16	Preceding wk.	1959 week	'60 cumulative	'59 cumulative
TV .....	138,092	116,229	166,118	4,062,459	4,120,768
Total radio .....	385,823	293,802	421,143	11,440,654	10,048,526
auto radio .....	147,804	95,986	155,338	4,342,538	3,821,349

Admiral will appeal the federal court ruling that it infringed Zenith patents on TV remote-control and "Fringelock" circuits & designs (Vol. 16:36 p12). Admiral filed notice of appeal in Oklahoma City U.S. District Court, which stayed the injunction against it pending a ruling on the appeal in U.S. Appeals Court, Denver.

Philco International Corp., Philco subsidiary, reported a 34% increase in unit exports during first-half 1959. Increases in sales were reported in Belgium, Portugal, Sweden, Iran, Lebanon, Hong Kong, Pakistan, French West Africa, Bermuda, Jamaica, Costa Rica & Panama.

Pilot production of transistors has begun at RCA's new Mountaintop, Pa. plant. The facility is "being geared for full-scale operation," RCA announced.

First Capehart TV portables are due to be delivered to dealers next month. The 2 models, both with 19-in. 114-degree tubes, are 12-in. deep with front speaker & telescoping antenna. List prices are \$119.50 (no carrying handle) & \$209.50 (different finishes, handle).

"Electronic voice" for the voiceless will be sold on a non-profit basis (\$45) by the Bell Telephone companies to those without power of speech due to paralysis or surgical removal of the larynx. Resembling an electric shaver, the electronic larynx is held against the outside of the throat and transmits sound waves into the throat cavity. Unlike previous similar devices, the Bell larynx has a finger control, enabling the user to vary the pitch of his voice over a half-octave range for more natural inflections. Male & female models are offered—differing in pitch. The device is transistorized, uses mercury radio batteries.

Entry into the home intercom business was formally announced last week by the Bell Telephone System. Beginning next year, the phone company will offer nationally an intercom system for room-to-room, front-door-to-phone and baby-sitting uses. Telephones with separate loudspeakers will be used.

German kinescope manufacturer Blaupunkt has started production of 23-in. picture tubes.

**TV-RADIO EXPORTS & IMPORTS:** Exports of U.S. TV sets dropped in June to 6,653 units (from May's 10,526), while shipments of TV chassis rose sharply to 7,634 (from 577), according to latest Census figures.

The dollar volume of June TV set exports totaled \$918,171, TV chassis shipments \$291,195. As usual, Latin America was the biggest market for complete TV sets. Peru received 1,450, Venezuela 1,216, Costa Rica 933. Other relatively large-volume customers: Canada 790, Panama 587.

TV chassis shipments went to 4 countries: Italy 3,550, Argentina 2,000, Canada 1,482, Mexico 600.

Other TV-electronics exports in June:

Home radios, 6,376 at \$202,514. Italy was biggest purchaser, receiving 1,209 sets at \$22,077, although dollar volume from Venezuela (\$51,286) was greater for 910 sets. Of 1,306 radio chassis shipped (\$89,449), Mexico got 1,000.

Auto radios, 3,596 at \$99,261, only volume market being Canada (2,471).

Radio-phono combinations, 229 at \$27,768. Receiving tubes, 1,290,405 at \$1,048,200, with Canada, Italy and Latin American countries taking the heavy share. TV picture tubes, 72,575 at \$1,504,058, Argentina taking 30,312, and West Germany, Sweden, Denmark, Italy, Belgium, Switzerland & France the next best markets, in that order.

\* \* \*

Imports exceeded exports in every home-electronics end-equipment category except TV. Here are the Census highlights for June:

Transistor radios, 518,696 at \$4,828,582, of which 510,732 were from Japan and 6,489 from West Germany. Other portable radios, 40,935 at \$212,625, of which 39,922 were from Japan. Other radios, 56,007 at \$655,040, with 40,492 from Japan, 8,687 from West Germany, 3,432 from Netherlands, 2,337 from Italy.

Radio-phono combinations, 4,175 at \$343,359, West Germany supplying 2,959 (\$273,848) and Japan 2,143 (\$61,255). Phonos, 2,366 at \$53,553, Japan supplying 1,056, U.K. 800, West Germany 467.

Tubes, 1,589,334 at \$718,673, Japan ranking 3rd in number of units (following U.K. & Netherlands) and 4th in dollar volume (West Germany being 3rd).

■

Retailers expect all-time sales record this year—but lower profits than in 1959. That's the consensus of 367 heads of dept., specialty & general merchandise stores surveyed by National Retail Merchants Assn. Some 46% predicted a profit gain for 2nd half 1960 over 1959, and only 42% saw gain in profit for full year. Very few stores mentioned TV, appliances or stereo as holding hope for high volume improvement this fall.

Factory sales of transistors dropped in July to the lowest monthly figure so far this year—slightly over 7 million units at about \$18 million. However, the July sales still exceeded July 1959's sales by a million units and nearly \$3.5 million. The EIA's monthly figures on factory sales of transistors:

	1960	1959		
	Units	Dollars	Units	Dollars
January .....	9,606,630	\$24,714,580	5,195,317	\$13,243,224
February .....	9,527,662	24,831,570	5,393,377	14,550,056
March .....	12,021,506	28,700,129	6,310,286	18,117,560
April .....	9,891,236	23,198,576	5,906,736	16,864,049
May .....	9,046,237	24,714,580	6,358,097	19,007,293
June .....	10,392,412	27,341,733	6,934,213	18,031,593
July .....	7,070,884	18,083,802	6,030,265	15,618,315
<b>TOTAL</b> .....	<b>67,556,567</b>	<b>\$171,017,763</b>	<b>42,128,291</b>	<b>\$115,432,090</b>

**Trade Personals:** Larry L. Malin promoted from field merchandising mgr. to commercial electronics div. vp, Admiral Sales Corp.; Bruno Beale named technical operations mgr.

Leonard Gross, ex-Phileco radio & hi-fi merchandise mgr., named to new post of vending sales vp, Seeburg Corp. . . . Richard J. Hall named mgr. of RCA's consumer semiconductor plant in Findlay, Ohio, succeeding John M. Spooner, who is joining RCA International, headquartered in Rome . . . Lloyd R. Day promoted from planning mgr. to new post of new business development mgr., RCA Electron Tube div. . . . Robert G. Lynch named equipment sales mgr., Sylvania Electronic Tubes . . . Cornelius Keating and Albert Simonson named Columbia Record vps . . . David R. Hull, Hoffman exec. vp and ex-pres. of EIA, named chmn. of EIA legislative policy committee, succeeding Max F. Balcom, Sylvania . . . Dr. Donald G. Wilson named research vp, P. R. Mallory . . . R. F. Meinicke promoted from sales mgr. to sales vp, Amphenol Distributor div. . . . Arthur L. Adamson named chmn. & chief financial officer, Electronics Associates, succeeding Lloyd E. Christianson as chmn. Christianson continues as pres. & chief exec. officer. ■

Suit against Webcor Chmn.-Pres. Titus Haffa and the company's other officers & directors has been filed in Chicago U.S. District Court by stockholders James J. Duane Jr. & Margaret W. Duane, charging that the Haffa group drained assets of Webcor to other Haffa-controlled companies through sales at inadequate prices and purchases at excessive prices. Haffa and his family own about 20% of Webcor's stock. Among Duane's charges: (1) That Webcor sold a 45-acre tract 15 miles from Chicago in 1955 to Haffa's sisters, who transferred it to Dormeyer Corp. (controlled by Haffa and his family), which sold it back to Webcor in 1958 for \$725,000, when "the fair market value . . . did not exceed \$180,000." (2) That from 1956 through 1959, Webcor purchased materials, services & equipment totaling \$3,678,000 "at excessive prices [from] corporations owned & controlled by the Haffa family." (3) That during the same period, "Webcor sold to Dormeyer and other corporations owned & controlled by Haffa and his family" materials & equipment totaling \$1,885,000 "at inadequate prices." The suit asks that the defendants be required to account to Webcor "for their profits and its damages" and that Webcor's purchase of the Illinois property be rescinded.

N.Y. state picture-tube law, which takes effect Oct. 1, requires the marking of tubes & tube cartons to indicate whether they contain used parts. A tube cannot be labeled "new" unless it is built from all new parts, including bulb.

#### New York 'Consumer Electronics' Office

To provide added coverage of the electronics field, an editorial specialist in consumer electronics will be assigned to our New York office beginning Oct. 3. Associate Editor David Lachenbruch, in charge of the Consumer Electronics department of TELEVISION DIGEST, will make his headquarters at our New York bureau, 625 Madison Ave. (Plaza 2-0195), for the major part of each week, while the remainder of the Consumer Electronics staff will continue to headquarter at our main editorial office in Radnor, Pa. Communications for the Consumer Electronics department should still be addressed to the Radnor headquarters—but for prompt attention, we'd appreciate duplicate copies of all form letters, press releases, etc., at the New York office.

## Finance

Move into international electronics investment field has been undertaken by the group headed by San Diego's Charles E. Salik, who pioneered in the domestic field. The latest venture, authorized last week by SEC, is Electronics International Capital Ltd., Hamilton, Bermuda, formed for the purpose of investing in securities of foreign electronics companies. It is permitted to offer 2.5 million shares at \$10 per share, through underwriters headed by Bear, Stearns & Co., who will receive \$1 per share commission. The company will invest in firms whose stocks are traded on exchanges in Toronto, Montreal, London, Amsterdam, Frankfurt, Paris, Johannesburg and other cities. Salik is pres. & chmn. He's also chmn. & 81% stockholder of the company's advisor, Electronics International Management Ltd. He's pres. & chmn. of Electronic Investment Corp., the open-end mutual fund which has assets of more than \$37 million, and of Electronics Capital Corp., the \$16.5 million small-business investment firm.

Ling-Temco Electronics expects 1960 sales & earnings to be at least as good as last year's combined results of Ling-Altec Electronics and Temco Aircraft Corp. Pres. James J. Ling of the recently merged firms told a group of security analysts in Dallas last week that total sales this year will be \$145-\$155 million, and earnings after taxes will probably be 3.5-4.5% of sales. Last year's combined earnings of the 2 companies totaled \$2,968,000 (\$1.22 a share) on sales of \$148,724,000. He predicted sales of \$190-\$200 million in 1961 and \$350-\$400 million a year "in the next 3 or 4 years."

### OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 22, 1960

Electronics TV-Radios-Appliances Amusements

*The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.*

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	23	25 1/2%	Magna Theater	3 1/4	3 1/2%
Aerovox	9 1/2	10 1/2%	Magnetics Inc.	8 3/4	10
Allied Radio	21 1/2	23	Maxson (W.L.)	9	9 1/2%
Astron Corp.	2 1/2	2 3/8%	Meredith Pub.	42	45 1/2%
Baird Atomic	39 1/2	32 3/8%	Metropolitan Bctg.	16 1/4	17 1/2%
British Industries	17 1/2	19 1/2%	Milgo Electronics	21	23 1/2%
CGS Labs	8 1/2	10 1/2%	MPO Videotronics	7 1/2	7 1/2%
Control Data Corp.	40 1/4	43	Narda Microwave	5	6
Cook Elec.	15	16 1/4%	National Co.	29 3/4	32
Craig Systems	15	16 3/4%	Nuclear of Chicago	30	32 1/4%
Dictaphone	38	41 1/8%	Official Films	2	2-5/16
Digitronics	19 1/4	22	Pacific Automation	7 1/4	8
Eastern Ind.	13 1/2	14 1/2%	Pacific Mercury	7	7 1/2%
Eitel-McCullough	23	24 1/2%	Perkin-Elmer	39	41 1/2%
Elco Corp.	15 1/2	17 1/4%	Philips Lamp	161 1/4	167
Electro Instruments	31	34 1/2%	Pyramid Electric	2 7/8	3 1/2%
Electro Voice	11 1/2	12 1/2%	Radiation Inc.	20 1/2	22 1/2%
Electronic Associates	29 1/4	31 1/4%	Howard W. Sams	41 1/2	45 1/2%
Erie Resistor	8	8 1/2%	Sanders Associates	54	58 1/2%
Executive	31	34 1/2%	Silicon Transistor	5 3/4	6 1/2%
Farrington Mfg.	36	38 1/2%	Soroban Engineering	24	26 1/2%
Fischer & Porter	18	19 1/2%	Soundscriber	12	13 1/2%
FXR	42	46 1/2%	Speer Carbon	24	25 1/2%
General Devices	12 1/4	13 1/2%	Sprague Electric	46 1/2	49 1/2%
G-L Electronics	9 1/2	11	Taft Bctg.	12 1/2	14 1/4%
Granco Products	4 1/2	4 3/4%	Taylor Instrument	36	38 1/2%
Gross Telecasting	18 1/4	20 1/2%	Technology Inst.	10 1/4	11 1/2%
Haydu	1/2	5/16	Telechrome	11 1/2	12 1/2%
Hewlett-Packard	25	26 1/2%	Telecomputing	7 1/4	8 1/2%
High Voltage Eng.	136	146	Telemeter	12 1/2	14 1/4%
Infrared Industries	19 1/2	21 1/4%	Time, Inc.	63 1/2	67
International Rectifier	21	22 1/4%	Tracerlab	10	11 1/2%
Interstate Engineering	24	25 1/2%	United Artists	7	7 1/2%
Itek	55 1/2	60	Universal Control	21 3/4	23 7/8%
Jerrold	8 1/2	9 1/2%	Universal Trans.	1 1/2	2 1/2%
Lab for Electronics	41	44	Vitro	11 1/2	13
Lel Inc.	5 1/4	6 1/4%	Vocaine	2 7/8	3 3/4%
LFE Inc.	13	-	Weiss-Gardner	15 1/2	16 1/2%
Ling Temco	27	28 1/4%			

Merger of British Industries Inc. into Avnet Electronics has been approved by the directors of both companies and will be submitted to stockholders at separate meetings in November. British Industries, marketer of imported hi-fi components (Garrard changers, Wharfedale speakers, etc.), would be operated as a subsidiary of Avnet, which distributes a wide variety of components, resistors, special tubes, semiconductors—and assembles electrical connectors. For each share of British Industries stock, holders would receive one Avnet share and a 90-day warrant to purchase an additional 2 Avnet shares for each 5 British Industries shares. In other merger news last week, General Tire's Aerojet-General Corp. purchased controlling interest in Space Electronics Corp., Glendale, Cal., for an undisclosed amount. Space Electronics is partially owned by Pacific Automation Products Inc.

Muter Co. earnings will drop sharply to 10-12¢ a share for the first 9 months of 1960 from 30¢ in the same 1959 period, according to Pres. Leslie F. Muter. However, in the 4th quarter, the firm should do as well as last year's 19¢ "and could do substantially better," he said. Sales for the year are expected to approximate last year's \$13.8 million. He said Muter is discussing 2 possible mergers, including one which would involve the sale of the company for stock of a larger firm.

Space Electronics Systems Inc., 1200 First St., Alexandria, Va., is a new firm started by pres. A. C. Angelos & exec. vp H. S. Shaw, both ex-Melpar. It plans to handle both military & commercial manufacturing contracts, expects to develop its own line of electronic & automation devices. Greater Washington Industrial Investments Inc. will supply initial working capital of \$175,000 in the form of a 5-year 8% loan secured by a first deed on SES's plant. GWII also obtains a 5-year option to buy up to 12% of SES's stock "at a favorable price."

International Resistance will set sales & earning records this year, Pres. Walter W. Slocum told the N.Y. Society of Security Analysts last week. Net sales should be more than \$22 million, with earnings \$1.40-\$1.50 a share, he predicted. This compares with 1959's previous records of \$19.8 million sales & \$1.29 per share earnings. He forecast a sales increase of more than 250% within the next 5 years, "predicated largely on conservative market evaluations of our new-product programs."

Reeves Bestg. & Development Co. stock was traded on the American Stock Exchange for the first time Wed. Sept. 14. Symbol: RBT.

Reports & comments available: CBS, review, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Lafayette Radio Electronics, analysis, Reimer & Co., 52 Wall St., N.Y. 5 • Terminal Electronics, prospectus, J. A. Winston & Co., 11 Broadway, N.Y. 4 • Lab for Electronics, review, Schirmer, Atherton & Co., 50 Congress St., Boston 9 • Western Union, review, Sartorius & Co., 39 Broadway, N.Y. 6 • Paramount Pictures, comments, H. Hentz & Co., 72 Wall St., N.Y. 5.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Canadian Westinghouse	Q	\$0.25	Oct. 1	Sept. 26
Daystrom Inc.	Q	.30	Nov. 15	Oct. 27
EMI Ltd.	Final	12 1/2%		
General Dynamics	Q	.25	Nov. 10	Oct. 7
Sanders Associates	Ann.	.04	Oct. 19	Sept. 29
Sanders Associates	Stk.	100%	Oct. 19	Sept. 29

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Acme Electric Corp.	1960—year to June 30 1959—year to June 30	\$11,261,815 9,381,755	\$1,041,539 793,479	\$505,867 386,356	\$1.91 1.45	260,000 260,000
National Theatres & TV <sup>1</sup> Story on p. 6	1960—39 wks. to June 28 1959—39 wks. to June 28	34,392,901 39,648,287	— —	428,726 <sup>2</sup> 1,431,060	.15 .53	2,816,247 2,700,283
National Video Corp.	1960—qtr. to Aug. 31 1959—qtr. to Aug. 31	5,529,743 3,737,215	— —	408,327 180,967	.66 .29	— —
Western Union <sup>3</sup>	1960—7 mo. to July 31 1959—7 mo. to July 31	157,901,392 160,509,964	— —	6,016,485 8,589,189	.94 1.35	6,394,616 6,352,693

Notes: <sup>1</sup> Excludes operations of NTA. <sup>2</sup> Excludes loss of \$3.5 million on investment in NTA; also excludes approximately \$3 million profit from sale of WDAF-TV & WDAF Kansas City, which will be included in current-quarter earnings. <sup>3</sup> From report to FCC.

Rollins Bestg. Co., owner & operator of 2 TV & 6 radio stations, is currently offering the public 10,500 shares of its common stock (at \$8 each) through F. Eberstadt & Co. and associates. The underwriters also offered 24,500 shares put up for sale by stockholder John Rollins, who reduced his common stock holdings to 23.2% of the total by selling 9,000 shares privately to F. Eberstadt and 1,500 shares to an officer of Rollins Bestg. at the offering price. Pres. O. Wayne Rollins holds 64.9% of the company's 110,000 shares of common and 815,000 shares of Class B common. Rollins Bestg.'s stations: WEAR-TV Pensacola and WPTZ Plattsburgh, N.Y.; radios WAMS, Wilmington, Del.; WJWL Georgetown, Del.; WRAP Norfolk; WNJR Newark; WBEE Harvey, Ill.; WGEE Indianapolis.

Gremar Mfg. Co., 7 North Ave., Wakefield, Mass., maker of RF cable connectors & fittings, has filed a statement with SEC (File 2-17-70) proposing to make a public offering of 100,000 shares through underwriters headed by Milton D. Blauner & Co. and M. L. Lee & Co. Of net proceeds, \$153,700 is to go for payment of a note to former Pres. Lawrence Stone in connection with purchase of his 50% stock interest, \$50,000 for equipment, \$50,000 to reduce bank loans, \$40,000 for raw materials. Of 325,000 shares outstanding, Pres. Carlton G. Marie owns 317,500.

General Instrument, which recently acquired General Transistor (Vol. 16:36 p15), expects its profit for the year ending next Feb. 28 to be about 20% higher than the total \$1.23 a share earned by both the merged firms. Pres. Moses Shapiro said earnings should also increase 20% to around \$80 million from \$66 million. He said the firm expects to maintain a conservative dividend policy in order to save capital for growth. Semiconductors will account for about 35% of the company's volume this fiscal year, he stated.

Dorsett Electronics Labs, Box 862, Norman, Okla. (data-handling equipment, etc.), proposes to offer 50,000 common shares to the public, according to a statement filed with SEC (File 2-17048). Price, terms & underwriters will be specified by an amendment. Proceeds will be used for working capital & reduction of debt. Chmn.-Pres. Loyd G. Dorsett owns 26.3% of the 292,946 shares outstanding.

Texas Instruments sales will set a record this year, according to a company estimate, but the predicted volume has been cut to between \$235 & \$240 million from the earlier prediction of \$240-\$250 million. Last year's volume was \$193.2 million.

Robsonics Inc., 22 W. 48th St., N.Y. has filed with the SEC (File-17046) for the registration of 180,000 common shares to be offered publicly at \$5 a share through Mandell & Kahn Inc. The firm is developing devices in the fields of automatic telephone answering, magnetic & video-tape recording. There are 311,614 shares outstanding, of which Pres. Sidney Ostrager holds 131,500 (42.1%).

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## Educational Television

Operation Airborne, the educational stratovision project which is due to get off the ground during mid-winter (Vol. 15:42 p3 et seq.), will have some of its programs provided by educational WCET (Ch. 48) Cincinnati. The station has been contracted by the Midwest Council on Airborne TV Instruction (MCATI) to produce 256 twenty-min. creative art & mathematics lessons on tape and 85 half-hour tapes on biology.

First Armed Forces Educational TV Conference, being held this week, Sept. 26-30 at the Pentagon, makes heavy use of video tape to show how the military uses TV for training. More than 200 representatives of military & civilian ETV organizations were scheduled to attend the conference, sponsored by the chief signal officer and presided over by Dr. Joseph H. Kanner, chief of the Audio-Visual Applications Office.

## Technology

Underground TV is used by Washington Gas Light Co. crews to guard against gas leaks in mains under the route of the inaugural parade to the White House next Jan. A TV camera is pulled through the 24-in. mains on a cable to spot cracks which are noted by crewmen watching a screen aboveground. Sealing liquid is then used to plug leaks.

## YOUR PERSONAL SUBSCRIPTION

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## Auxiliary Services

Protest by a CATV system against a uhf translator operator was granted by FCC last week—an unusual twist. Rhinelander TV Cable Co., Rhinelander, Wis., had objected to the grant of 2 new translators to J. R. Karban, who already operates 2 serving the community. The dispute was set for hearing, but the new grants were not rescinded.

Protest against CATV microwave to serve systems in Ft. Pierce, Fla. & other communities has been granted by FCC against Southern Transmission Corp. The protest had been filed by uhf grantee WTVI (Ch. 19) Ft. Pierce. Construction of the microwave will be held up pending a hearing. Comrs. Cross & King dissented.

Citizens of Little Price, Utah are certainly going to be well served with TV: (1) Vetere Motor & TV Inc. has had a CATV system there since 1953. (2) Three unauthorized vhf boosters have been operating for some time; they recently filed applications with FCC under its new rules. (3) Vetere on Aug. 27 filed for 3 uhf translators.

First 29 vhf translator grants were authorized by the FCC last week, as applications filed accelerated. All existing operators are required to ask for STAs by Oct. 31. For new applications, see TV addenda 31-D herewith.

Translator starts: K79AM Manson, Wash. began Aug. 11 repeating KHQ-TV Spokane • K78AQ Seaside, Ore. began in September with KPTV Portland, Ore. • K76BC Walker, Minn. began tests Sept. 8, repeating WDSM-TV Duluth via pickup from K82AF Cass Lake, Minn.

## Foreign

British commercial TV audience now numbers slightly more than 10 million homes, a 50-fold increase over the level with which the ITV channels began in the fall of 1955, Britain's TV Audience Measurement Ltd. reported in London. In terms of people, maximum potential audience for commercial British TV shows is 23,700,000. Latest estimate for total annual TV commercial ad spending in Britain: \$224 million annually, up about 30% from 1959.

Britain's first battery portable TV, introduced by Pye, is a transistorized 14-in. model with a price tag of approximately \$280, reports *Wireless and Electrical Trader*. It weighs about 38 pounds, has 26 transistors, 11 germanium diodes, 3 silicon diodes and a thermionic diode. It has a built-in rechargeable "non-acid" battery, also operates on AC and/or 12-volt auto or boat batteries.

European uhf TV allocation table, companion to its vhf, may come out of the next European Broadcasting Region conference in Stockholm in May 1961. The goal of many in Europe is to use uhf & color as an umbrella to bring the jumble of incompatible systems under a new single set of technical standards.

Recife, Brazil, TV station on Ch. 2 has increased its ERP to 110 kw, installing about \$700,000 worth of Marconi equipment. Owned by Empresa Jornal do Comercio S.A., it has a new 18-kw transmitter, seven 4½-in. image-orthicon cameras and a 3-camera remote truck with microwave.

Telecentro de Guadalajara has been opened in Mexico's 2nd biggest city by Telesistema Mexicano. Although Telesistema currently has only one channel in Guadalajara, its studios are big enough to accommodate future stations.

West Germany's licensed TVs had increased to 4,075,536 by the end of first-half 1960; radios, 15,706,000.

OCT 3 1960

# WEEKLY Television Digest

OCTOBER 3, 1960

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## SUMMARY-INDEX OF WEEK'S NEWS

### Stations

**GOV. COLLINS NEARS NAB PRESIDENCY.** Board scheduled to pass on his nomination & contract in special Oct. 10 Washington meeting (p. 1).

**BUMPER CROP OF NEW STARTERS** announced this week consists of 3 new U.S. outlets (including one educational uhf) and 2 Canadian stations (p. 9).

**SPOT GAINS 9.7%** in 1960's 2nd quarter as spending rises to \$160.6 million, reports TvB. Top 100 spot advertisers (p. 10).

**COCKTAILS VS. CODE** is major topic on agenda of NAB Code Review Board, as WPIX N.Y. agrees to delay Holland House spots, pending board study (p. 10).

**CANADA REJECTS COLOR,** BBG ruling that "time has not yet come," in view of slow progress in U.S. (p. 11).

### FCC

"**KEEP FCC TIGHT REIN ON DROP-INS,**" industry tells FCC in comments on short-spaced "interim plan" for major markets (pp. 2 & 4).

**GROUND RULES FOR OCT. 24-28 PAY-TV HEARING** are laid down by FCC. Parties urged to condense presentations (pp. 3 & 5).

**SHORT-HAUL LICENSES,** less than 3 years, permitted under new rules. Effect is to publicize stations' "probationary" status (p. 5).

### Programming

**GREAT DEBATE** proves a great TV victory; draws 75 million audience for Nixon-Kennedy clash (pp. 2 & 6).

### Auxiliary Services

**REDIFFUSION PLANS CANADIAN PAY-TV,** according to sources in Sault Ste. Marie, Ont., site of proposed 9-channel combination of CATV & pay-TV (p. 3).

**GOV. COLLINS NEARS NAB PRESIDENCY:** Fla. Gov. LeRoy Collins is set to become next pres. of NAB (Vol. 16:39 p1) unless serious opposition suddenly develops—but none is in sight. It's understood that special board meeting in Washington Oct. 10 has been called to act on Selection Committee's choice.

Committee finally confirmed that "it has completed tentative arrangements for the employment of a successor to the late NAB Pres. Harold E. Fellows." However, the group, headed by C. Howard Lane, KOIN-TV Portland, Ore., said it wouldn't disclose selectee's identity "until after a contract is negotiated and until after the board of directors is called into a special meeting to pass on the nomination & the contract."

Collins would be available for job after Jan. 3 when his term expires. Under Fla. law, he is prohibited against succeeding himself. He has plenty of big-salaried private-industry offers, wouldn't suffer if by some chance NAB position falls through.

Collins is a lawyer, received LL.B. from Cumberland U. in 1931, served in Fla. legislature 1934-40, in Fla. Senate 1940-54, has been Governor since 1955. After predecessor died in office, he was elected to fill the unexpired term, re-elected in 1956. During World War II, he served as a Navy lieut. He belongs to Masons, Elks, Odd Fellows, Woodmen of the World. He has one son, 3 daughters: LeRoy Jr., 26, Naval Academy graduate now a lieut. j.g. on active duty; Jane, 22; Mary Call, 18; Darby, 10.

### Consumer Electronics

**TV-RADIO IMPORTER** directory lists 65 principal importers & distributors of Japanese transistor radios & TV (pp. 14 & 16).

**TV SALES OF 6.2 MILLION** at retail still strong possibility—down from last spring's predictions, but healthy improvement over 1959 (p. 14).

**JAPANESE TV MARKET-TEST** due this week as Liberty Music begins N.Y. promotion on Delmonico sets at \$159.95. Gimbel's sells out 8-in. sets at \$99, wants more (p. 15).

**A JAPANESE LOOKS AT COLOR TV.** notes prices & quantities of local production, forecasts export of color chassis because of "low labor cost" (p. 17).

### Film & Tape

**FCC HOLDING PRE-HEARING** conferences in Hollywood. Witness list announced for study of network operations (p. 8).

### Advertising

**JULY NATIONAL AD VOLUME** increased 6% over July 1959, paced by way-out gains of network radio (27%) & network TV (21%) (p. 12).

### Finance

**AB-PT SEES RECORD** sales & earnings for 1960, with 40% profit increase in 3rd quarter. Goldenson predicts network gross will double in 5 years (p. 19).

### Other Departments

**FOREIGN** (p. 11). **EDUCATIONAL TV** (p. 12). **PERSONALS** (p. 13). **TECHNOLOGY** (p. 13). **AUXILIARY SERVICES** (p. 13).

**'KEEP TIGHT REIN ON DROP-INS,' INDUSTRY TELLS FCC:** Major comments on FCC's proposed "interim plan" for short-spaced vhf drop-ins to add 3rd channel to important markets (Vol. 16:2 p1) go along with Commission's ideas—but virtually all fear letting it get out of hand.

There's substantial agreement that dozen or so top markets need at least another channel (for details, see p. 4), but there's almost complete agreement at holding line on those specific markets. Many of those filing identified the markets, and most selected same ones.

Very few went for those proposed changes in rules & standards not needed for the "interim plan." They couldn't see why Commission included new propagation curves, changes in coverage definitions, etc. in the same proceeding. There were strenuous objections, particularly, to proposal to cut adjacent-channel spacings from 60 to 40 miles and to allow 20-db suppression for directionals. Keep 60 miles, they said, and limit DAs to 15 db.

Commission staff now digs into mound of documents, will take weeks if not months to digest it.

**'GREAT DEBATE' PROVES A GREAT TV VICTORY:** Technique of Presidential politicking may have been permanently altered Sept. 26 with a single 60-min. telecast—the 3-network TV-radio debate between Vice President Richard Nixon & Sen. John Kennedy. Debate was a success, and we'll see more.

Newspapers generally dislike crediting TV with generating national news, apart from star hassles & quiz scandals. But newspapers universally devoted front pages to coverage, plus many inside columns of analysis. Politicians everywhere, of all ranks, were aware that new force was at work. And so was U.S. TV-watching population.

Huge audience of 30 million homes was estimated by American Research Bureau, on basis of its 7-times-yearly special "National Arbitron" panel (Arbitron homes in 7 cities plus phone survey in other areas). Show reached nearly 75 million viewers, plus radio's listeners.

Networks didn't split the audience evenly, although identical show was being carried. Final ARB results for 9:30-10:30 p.m. debate period gave audience-share edge to CBS, then NBC and ABC. The figures: CBS—39.7% share, 12.3 million homes. NBC—34.9% share, 10.8 million homes. ABC—20.6% share, 6.1 million. Some of CBS-TV's lead may have been due to fact that it had scheduled to follow, immediately after the debate, more politics—Westinghouse-sponsored Presidential Countdown show with Lyndon B. Johnson as guest. This pulled 18.1 Arbitron national rating and 35.7% share to out-rate Jackpot Bowling on NBC (11.2 rating; 21.5% share) and Amateur Hour on ABC (6.3 rating; 11.9% share). Countdown, originally something of a giveaway to Westinghouse by CBS, has proved a real audience attraction since lifting of Sec. 315.

Set usage was boosted sharply by the debate. As clocked by Nielsen Instantaneous Audimeter Panel in N.Y., percentage of homes then using TV in country's biggest TV market was 72, as compared with 52 for previous week—a 20-point jump which Nielsen called "quite unusual." Viewers also tended to stick to the show, once they'd tuned in. Average N.Y. family watching the debate tuned for 53 min. to the 60-min. show.

Not everybody, of course, watched Nixon-Kennedy duel. In N.Y., with 3 channels airing debate and 4 independents going their own way, network o&o's bagged 76% of available audience, independents got 24%. (WNEW-TV, however, carried debate the following afternoon for those who missed it, and radio WMGM was the first independent outlet to ask the networks for a Mon.-night feed.)

Almost everyone had something to say about the debates, and most said it, often in print (see p. 6). As expected, network leaders hailed debate as major broadcasting milestone. Columnists & pundits held various views re long-range effect on election & future campaigns. Viewing public, as sampled in surveys, indicated it liked the show, wanted more.

Second TV-radio debate will be staged Fri., Oct. 7 on all networks. It'll be news panel interview by 4 reporters (2 TV-radio; 2 print) with NBC's Frank McGee as moderator. Interestingly, rival Presidential running mates, Johnson & Lodge, are now scheduled for a TV conflict—of networks. Sen. Lyndon Johnson will be interviewed on Meet the Press Oct. 9 (NBC-TV, 6-6:30 p.m.) at same moment Henry Cabot Lodge faces CBS-TV cameras on Face the Nation.

Latest estimate of what 4 debate shows will cost 3 networks in terms of pre-empted time, production costs, travel expenses & facilities for newsmen: \$2,500,000.

**GROUND RULES FOR OCT. 24-28 PAY-TV HEARING:** FCC's plans for a hearing on proposed RKO-Zenith Hartford 3-year pay-TV test were finally announced last week. They were much as reported (Vol. 16:39 p2), except that Commission decided to label it a "Sec. 309" proceeding. This is designed to preclude a subsequent protest, which could mean a much longer hearing. Actually, lawyers argue both ways on whether a protest will stand up.

It will be a 5-day affair Oct. 24-28, FCC said. At least, that's its intention—and parties will reap much ill will from the Commission if they try to drag it on much beyond that. All 7 Commissioners will hear it. FCC counsel will be Louis C. Stephens, asst. chief of Rules & Standards Div. The issues are as previously reported, with full text on p. 5.

FCC's order specifically allows "full participation" to RKO-Zenith & its opponents—Conn. Committee Against Pay TV and 5 Hartford area theater owners. Commission rejected Joint Committee Against Toll TV, noting that area's exhibitors have already been allowed in. It will open door, it said, to anyone else who can show that his interests would be "directly & substantially" affected by the test. Throughout its report, however, Commission urged all parties with similar interests to consolidate their cases.

All parties who want to join hearing must notify Commission by Oct. 10. Cross-examination will be allowed "by counsel for persons or groups of persons found to have standing, as of right, to be heard . . ."

FCC summarized reasons for ordering hearing as follows: "The Commission shares the awareness of the television industry, the Congress and the public, of the great importance of the basic issues raised by proposals that a charge be imposed on the general public for the reception of television programs. At each stage of our consideration of the matter great care has been taken to assay the claims, on the one hand, that subscription television would significantly enhance the selection of program matter available to the public under the present system and on the other hand, the fears of opponents that a subscription television service would not significantly supplement, but rather would impair the 'free' service now available. In no circumstances would the Commission consider approval of subscription television on a trial basis or any other basis if it were shown that the rendition of subscription television services would—as has been asserted by opponents—black out free television or reduce it to a negligible service. As heretofore in the course of our 8-year-long examination of the proposals for subscription television service, we desire to give the closest scrutiny to any possibility that any subscription television authorization might have this or any other substantially adverse effect upon the public interest."

In Hartford, Zenith public relations chief Ted Leitzell told Sept. 26 Rotary Club meeting: "We don't believe subscription TV will put [movie exhibitors] out of business." Only a test will determine impact, he said. He said that program fare would include movies such as "Spartacus," "Ice Palace," and "From the Terrace"—plus "hit Broadway plays, presented while they are still new & fresh, complete & uncut and with the original cast; full-length grand opera, ballet, symphony concerts with the full orchestra; and sports events such as the recent Patterson & Johannson fight which was not even available here in Hartford theaters." And, he stressed, "without commercials."

**REDIFFUSION PLANS CANADIAN PAY TV:** A fed-from-U.S. pay-TV system is on horizon for small border town of Sault Ste. Marie, Ont. According to local sources there, owner of new system—which plans to combine pay TV and CATV in a 9-channel service—is Britain's Rediffusion, the worldwide concern active in wired radio, CATV and program production for British commercial channels.

Cable has already been strung from U.S. into the town, we've learned. However, plan for new system wasn't Rediffusion's from start. The British concern came in as late starter as result of neat promotion stunt by Toronto businessman Ray Harnett. Harnett took a full-page ad in Sault Ste. Marie "Daily Star" Sept. 17 to announce that town would soon receive 3-channel pay-TV service called Charge-a-Vision.

Ad promised that new system would operate much like Famous Players-Telemeter in Toronto, but with meter attachment & monthly bill rather than coin-in-slot. Ad gave address (Harnett's) in Toronto as "1600 Islington Ave. North, Rexdale, Toronto." (When we checked, Toronto operator reported no phone for Charge-a-Vision at that address.) Harnett sent glossy copies of ad to "several" concerns interested in pay TV, including Telemeter (which ignored it) and Rediffusion—which moved in to make the deal with Charge-a-Vision. Among Harnett's previous activities has been a drive-in movie called "Atomic Theater."

Rediffusion has expanded original plan to add CATV service as well from U.S. and Canadian free-TV sources. Currently, Sault Ste. Marie is served only by CJIC-TV, which relies on CBC & CBC-relayed U.S. shows. CJIC-TV mgr. R. H. Ramsay told us that he'd written, out of curiosity, to Charge-a-Vision's Toronto address, but received no answer.

**ADMAN BITES MAD. (Ave.) DOG:** Network programming is falling into mediocre formula patterns because major ad agencies are too busy playing the rating-numbers game and giving little thought to the quality of what's attracting the audience. So charged senior TV-radio vp Arthur E. Duram of Fuller & Smith & Ross agency (1960 billings: about \$45 million) last week, nipping neatly at pet program theories long held by many of his agency contemporaries. FSR's only TV show is Alcoa Presents.

Although nighttime shows are originally bought more by networks than by agencies, it is agency viewpoints that cause many shows to be "forced down the throats of sponsors & the nation's viewers by the giant TV ad agencies," declared Duram. "The TV establishment has pursued the safe-at-any-price approach to TV and, through its deadly adherence to programming for noses instead of people, has created an image which engulfs us all." Shows Duram likes, in which agencies played no creative role, include Wide Wide World, CBS Reports, Playhouse 90, Omnibus, 20th Century.

Duram's own agency doesn't want to run with the cost-per-1,000 pack, but is seeking "an individual concept of programming providing quality, showmanship and originality" with which to win audiences away from stereotyped fare. Added Duram: "The differences between a show with a high rating & one with an average rating tend to diminish over any 13-week period." (Further views on image-vs.-rating, Vol. 16:38 p3.)

**JAN.-SEPT. INDEX DUE:** Third edition of our new quarterly index is in final preparation and slated for distribution next week with Vol. 16:41 (Oct. 10) issue of Television Digest. New up-to-minute index supplants previous quarterlies, itemizes 1960 issues 1-through-39 of Television Digest, chronicles all major happenings in broadcast, TV-film and electronics industries during 1960's first 3 quarters.

## The FCC

### More about

**INDUSTRY'S ALLOCATION IDEAS:** Engineers & attorneys unloaded a huge volume of material on FCC as they filed comments on the Commission's proposed vhf drop-in plan (see p. 2). It will take the staff many weeks to digest it. Many comments were filed at the last minute, Fri. Sept. 30, and some weren't available yet for our scanning. However, many of the major filings could be inspected & are summarized herewith:

ABC proposed the addition of vhf channels to 14 specific markets, in most cases requiring substandard spacings and/or channel shifts of existing stations: Grand Rapids-Kalamazoo, Ch. 13 or Ch. 11. Louisville, Ch. 6 or Ch. 7. Syracuse, Ch. 12. Johnstown-Altoona, Ch. 8. Rochester, Ch. 13. Birmingham, Ch. 4 or Ch. 8. Raleigh-Durham, Ch. 9. Charlotte, Ch. 6. Providence, Ch. 6. Jacksonville, Ch. 5 or Ch. 10. Wheeling-Steubenville, Ch. 12. Baton Rouge, Ch. 11. Knoxville, Ch. 8. Dayton, Ch. 11.

ABC is much concerned lest litigation over the new channels tie them up for as much as 5 to 8 years, and it suggested procedures designed to preclude legal delays. Among these is a program of "conditional grants," awarding the channels temporarily pending comparative hearings among competitors. If competitors can't agree on a trusteeship, ABC said, existing uhf operators or uhf CP-holders should be given temporary authority to operate. If there are no uhf grantees around, ABC said, the Commission should grant "that proposal which appears least likely to affect the later comparative determination . . ."

ABC went along, generally, with the rest of FCC's proposals—provided that some flexibility is retained to

avoid site-selection difficulties and that the adjacent-channel minimum is cut from 60 to 40 miles only for the "interim plan."

Assn. of Maximum Service Telecasters argued that no changes should be made in the existing system. However, it said, if the Commission still believes that short-spaced vhf drop-ins should be authorized, all mileage-cut proposals should be considered simultaneously in a "market pre-planning case"—not on a case-by-case basis. Thus, it said, the Commission could open the door and then lock it while it weighs the impact on a national basis.

MST's fundamental argument is that mileage cuts will destroy or degrade rural service without providing a replacement service. MST noted that FCC proposes to require dropped-in stations to protect existing stations to the same degree they'd be protected if both the new & old stations operated at present minimum separations. There's a fallacy in this, MST asserted, because most actual separations are well above the minimum. In Zone I, for example, it said, typical separations are 200 miles instead of the 170 minimum—and this provides rural service that drop-ins would destroy or degrade.

MST also said that there's really no need for the drop-ins because 98% of all TV homes get at least 2 stations, 94% at least 3, 81% at least 4. If directional antennas are allowed, it said, they should be limited to 15-db suppression, rather than the 20-db FCC proposes. It also argued against any change in adjacent-channel separations, principal-city signal requirements, concept of grade A & B coverage, propagation curves.

NBC said that another vhf channel should be dropped into 11 specific markets, each with more than 400,000 population, as follows: Hartford-New Haven-New Britain-Bristol, Ch. 10 & 12 "translators" of about 1-kw & 500 ft.

for the 2 Hartford uhf stations, to serve the southern portion of their market. Providence, Ch. 6. Louisville, Ch. 7. Dayton, Ch. 11. Birmingham, Ch. 8. Rochester, Ch. 13. Syracuse, Ch. 9 & 11, deleting Ch. 8. Grand Rapids-Kalamazoo, Ch. 13. Toledo, Ch. 5. Jacksonville, Ch. 10. Johnstown-Altoona, Ch. 3. No co-channel spacings would be less than 125 miles—except for the “translators.”

NBC urged that the foregoing proposals be incorporated in the current allocation proceeding and that the Commission not “establish some general set of conditions which will govern future applications for short-spaced assignments.” It said it feared a gradual erosion of the national service if the door is left open.

NBC said that the Hartford uhf stations would be helped by the vhf translators. In Johnstown, it stated, uhf Ward-TV should be given the dropped-in vhf. And, as did ABC, it urged that a “trusteeship” system be worked out to get service going quickly on the new assignments—pending decisions on comparative hearings for them.

The network opposed all other rules changes proposed by the FCC, saying they could produce “lower standards.”

Time Inc. stations plumped for maintenance of present adjacent-channel separations—or the equivalent in DA protection—and said that 20-db DA suppression is too great.

WCCO-TV Minneapolis said that adjacent-channel spacing should be increased from 60 to 90 miles, rather than reduced to 40.

#### CBS Proposes Zone I Changes

CBS said that all markets with more than 70,000 homes should have 3 stations, and it suggested the following drop-ins: Providence, Ch. 6. Louisville, Ch. 7. Dayton, Ch. 11. Rochester, Ch. 13. Birmingham, Ch. 4. Grand Rapids-Kalamazoo, Ch. 13. Jacksonville, Ch. 10. Syracuse, Ch. 11. Altoona-Johnstown, Ch. 3. Knoxville, Ch. 8. Charlotte, Ch. 6. Raleigh-Durham, Ch. 13. The lowest co-channel spacing is 115 miles.

Fearing future case-by-case erosion, CBS urged that the foregoing be wrapped up in one rule-making proceeding—and the door closed. It also suggested that some existing stations or grantees be permitted to move, with substandard spacings, to serve their principal cities better. Examples: Albany, St. Petersburg, Miami & New Orleans. Where a uhf is competing with vhfs, CBS said, it should be given the drop-in.

CBS came up with a recommendation which it said would give Zone I stations protection more nearly comparable with that of Zone II & III stations. The rules should be changed, it said, to assume that Zone I stations operate at 2,000 ft. This would extend Ch. 2-6 stations’ protected contours from 44 to 52.5 miles, Ch. 7-13 stations from 46.5 to 53.5 miles. It recommended a 15-db limit on DAs.

Westinghouse Bcstg. Co. also objected to the “open end” concept of drop-ins, urging that the Commission start specific rule-making which would include exact drop-in proposals. It said that this would give FCC the whole picture as of now, “in lieu of speculating on what the ultimate effect may be” of a case-to-case procedure.

WBC said it likes the Commission’s proposed propagation curves and its new coverage definitions—“principal city service” & “normal service”—as replacements for “grade A & B. It opposed reduction of the adjacent-channel minimum and it suggested that the Commission follow TASO’s recommendations on the use of DAs.

Triangle Stations said it agreed with FCC’s proposal to provide 3 competitive services in major markets—provided that adjacent-channel mileages aren’t cut and DA suppression is kept to 15 db.

#### More about

**FCC’s PAY-TV QUESTIONS:** Herewith is the full text of FCC’s issues in its Oct. 24-28 hearing on RKO-Zenith’s proposed pay-TV test in Hartford (see p. 3):

“(1) Whether the proposed trial operation conforms with all the conditions set out in the 3rd report on subscription television in Docket No. 11279 for the conduct of trial subscription television operations.

“(2) Whether the conduct of the trial subscription television operation proposed at Hartford would deprive viewers of television program services which may otherwise be expected to be available under the established system of television broadcasting without the payment of a direct charge.

“(3) Whether the conduct of the trial subscription television operation proposed at Hartford would adversely affect competition in the television broadcasting industry.

“(4) Whether the conduct of the trial subscription television operation proposed at Hartford would impair the free exercise, by the station licensee, of discretion necessary to the discharge of its responsibility to the public in all respects, including: (a) the selection, rejection, and scheduling of all matter transmitted by the station, and (b) reasonableness of charges & conditions imposed upon subscribing members of the public for the installation, maintenance & use of decoding equipment, and the reception of subscription programs.

“(5) Whether, in the light of the information submitted in the pending application, the findings made & conclusions reached with respect to the foregoing issues, and the objectives of trial subscription television operations as set out in the Commission’s first & 3rd reports in Docket No. 11279, the public interest would be served by authorizing the operation as proposed, or as otherwise limited or conditioned.”

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**Short-haul Licenses:** A tighter checkrein on stations is intended by FCC’s new rules providing for licenses shorter than the hitherto conventional 3 years. They were adopted last week, following rule-making initiated March 2 (Vol. 16:10 p5). Comrs. Hyde & Craven dissented.

Industry certainly didn’t want the new setup, had plumped for licenses of 5 years or longer, but FCC was encouraged to finalize its proposal when Congress included in its amendments to the Communications Act (S-1898) a provision explicitly authorizing the Commission to adopt such a rule.

Practical significance of the new rule is difficult to assess now. It’s probably this: If a station gets a license for less than 3 years, an announcement will be made, alerting newspapers & other media to ask why—and tell why (in short, possible adverse publicity to the effect that the station is “on probation”).

Up to now, the renewal of a station under a cloud has been permitted to expire without public notice.” The station then had continued until FCC gave it a regular renewal. Several years ago, the Commission would announce that a station would be given a “temporary” license in lieu of regular renewal—but this practice had been dropped.

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Addition of Ch. 36 to Milwaukee for educational use has been proposed by FCC at the request of the Milwaukee Board of Vocational & Adult Education which now operates WMVS-TV (Ch. 10).

## Programming

### More about

**VIEWS ON THE GREAT DEBATE:** Barring partisan preferences, the U.S. press labeled the Sept. 26 Nixon-Kennedy TV debate a marked historical milestone. Columnists & critics agreed, unanimously, that TV encounters between major political candidates are here to stay. A few adverse comments pointed up shortcomings—avoidable or inherent in the medium—but these were outweighed by the favorable opinion (p. 2).

Network leaders hailed the event as "democracy in action," and all 3 seemed pleased with the way things had worked out. "Should go a long way toward helping the American public make its choice," said AB-PT Pres. Leonard Goldenson. "Things went well. For the first of this type of program, it certainly justified the effort," added CBS Inc. Pres. Dr. Frank Stanton. "These programs should become a permanent part of campaign technique," stated NBC Chmn. Robert Sarnoff. The networks also reiterated gratitude to the govt. for making the encounter possible, without worrying about Sec. 315.

### Press Evaluates Debate

Reservations were pointed at the phrase "debate," with several critics believing that the tone was too mild, while others objected to the time limitations imposed on answers & summation. "The trouble was that Nixon & Kennedy were forced by the format to deal with a whole catalogue of complicated national issues in a very few minutes," complained James Reston (*N.Y. Times*). Camera work was both attacked & praised: "The cameras were very hard on Mr. Nixon," thought columnist Walter Lippman. "Camera work never was too restless or flashy, and was restricted chiefly to service full-length or head shots," approved Jack Gould (*N.Y. Times*).

Controversy arose also on how much the TV appearance would influence the campaign. "The first Nixon-Kennedy debate destroyed the crust of apathy that had formed around the campaign," announced Max Lerner in the *N.Y. Post*. On the other hand, "TV will never supplant the campaign handshake," argued William S. White (*N.Y. Journal-American*).

*Wall St. Journal*, editorial: "The opportunity to draw clear & sharp differences in point of view was not realized. This was in part the fault of the program's format. Those ghostly figures with their backs to the camera were distractions . . . The questions were incredibly bad."

*N.Y. Times*, editorial: "The candidates were both dignified & solemn, but, in a laudable effort to avoid all personalities, they lost all humor."

Walter Lippman, *N.Y. Herald Tribune*: "The TV confrontation forces a man to speak for himself, not as the product of his ghost writers or public-relations men. TV is a truth machine."

Eleanor Roosevelt: "An extraordinary amount of information was packed into one hour. It was a milestone in TV history—the first time campaigning had been conducted on this level. I look forward with great interest to the three renewals next month of this joint appearance."

Conclusions which would affect the future political discussions between candidates lie in the area of program format. Many felt that the 2 men ought to stop being wary of "images" and turn with more conviction to "issues." Several journalists regretted that Nixon & Kennedy were not able to question each other directly—a suggestion the networks originally made but which was later rejected by the candidates themselves.

**POST-1948 SALES DRIVE BEGINS:** As a network-level deal between 20th Century-Fox and NBC for a 26-title package of hand-selected post-1948s (Vol. 16:39 p9) firmed up, other feature distributors were warming up their sales campaigns at the local level.

Seven Arts Associated—which is also angling for network sale of big-name features as specials—has begun active syndication sale of its first 40-title package of Warner Bros. post-1948 films. The package includes such viewer drawing cards as Marilyn Monroe ("The Prince & the Showgirl") and John Wayne ("The High & the Mighty"). Seven Arts has steadfastly declined to discuss market pricing, but since the company has guaranteed WB \$100,000 per negative plus profit participation, it's rumored to be nearly double the going price for good pre-1948 films.

Screen Gems, having begun exploration of the post-1948 market potential (Vol. 16:37 p7), is now making its first serious sales moves. In a swing away from the older practice (UAA, MGM-TV, etc.) of offering a large group of features in a library deal, Screen Gems is currently market-testing a list of nearly 300 post-1948 Columbia pictures with individual prices per picture. Prices for the N.Y. market, at the high end of the list, are high indeed. A 6-time exposure of any of the top Columbia films in the package ("Caine Mutiny," "On the Waterfront," etc.) will cost a N.Y. outlet \$100,000—nearly twice the top prices asked by other distributors in recent seasons, and about 4 times the price of standard feature fare.

Station film buyers are playing it cautiously so far on Hollywood post-1948s movies because a lot of station capital can be tied up suddenly in a big post-1948 picture deal. (The above Screen Gems package, for example, has a total price of over \$7 million for the N.Y. market.) One possible future development, according to some observers, is that stations will amend spot rate-cards to call for premium prices on shows relying heavily on post-1948 pictures because of audience increases.

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Second Nixon-Kennedy debate Oct. 7 is being switched from Cleveland to Washington. Reason: Too many newsmen. More than 300, all requiring phone & writing facilities within the studio, will be on hand to cover. So Cleveland vp Frank A. Tooke learned last week. NBC officials & Nixon-Kennedy TV-radio consultants had met with Westinghouse Bestg. Co. to survey facilities of KYW-TV Cleveland and agreed it would be "completely suitable," technically. But then came the deluge of newsmen's requests. At first, WBC tried to shift the debate to a Cleveland ballroom—but technical facilities there weren't right.

"Volpone," the Ben Jonson classic, seen on NTA's *Play of the Week* on KTVU San Francisco, has incurred the wrath of a women's group. The San Francisco Motion Picture & Television Council filed a protest with FCC, charging the station "is responsible for contributing to the breakdown of American standards of morality, as well as to increasing the already appalling number of juvenile delinquents," because of the telecast. KTVU replied that the classic is "an exposure of greed & moral turpitude," and told MPTC TV Chmn. Mrs. Kenneth C. Wilson: "We regret you find such an outstanding series to be a 'disgusting' offering . . . We have no apologies to make."

"Once again, TV—in this instance the ABC network—has lifted its voice in leadership."—Jack Gould, commenting in the *N.Y. Times* on Bell & Howell's one-hour prime-time documentary on racial bias, "Cast the First Stone."

**Suggest Wire Services Watch TV:** Newspaper editors have "reason to ponder" TV's impact in the coverage of at least 3 events during the past year, reported the General News Committee of AP Managing Editors Assn. last week.

The events: "(1) The winter Olympics, when intensive TV coverage caught public fancy and caused many editors to increase space allotted to the games. (2) The Khrushchev press conference in Paris following the wrecked summit conference, when most newspaper accounts gave a picture of a dictator gone mad, while the TV tapes shown later made the whole thing appear mostly as a cool & calculated performance on his part. (3) The national political conventions, which gave TV its quadrennial opportunity to cover live a big continuing show."

Added Robert Mason, managing editor of Norfolk *Virginian-Pilot*: "The night's TV viewers become newspaper readers next morning, and they are likely to compare the products of the competing news media, and to pass judgment, while they drink their coffee. There is, I think, a lesson for the AP here . . . I do not know how closely the AP monitors what the TV networks send out. But I feel that the monitoring should be close, and that the writing & editing should reflect it. It will do newspapers no good for readers to believe that newspaper reporters don't know the whole story . . ."

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**KTLA** Los Angeles newscaster Pat Michaels has been suspended by the station for allegedly sensationalizing his news program. In taking the action, the station told Michaels: "Your manner of presentation has often relied more on innuendo & inference rather than quality . . . It is our intention to engage in a detailed study to determine in our own minds whether your newscasts as recently presented over our facilities can be integrated into the news programming of this station." Said Michaels: "I am shocked & deeply hurt by the action of KTLA over the manner in which notice was given to the press & then to me. This is the first time in 2 years at KTLA that I'd heard any criticism from management of my work or my reports."

Another international TV festival (see Vol. 16:33 p6 re Monte Carlo event) will be inaugurated—this one in N.Y.—during the spring or fall of 1961 under the annual sponsorship of the National Academy of TV Arts & Sciences, NATAS Pres. Harry Ackerman has announced. "International TV is growing to the point where the exchange of live programs among all nations of the world via satellite reflection might be an immediate possibility," he said. The festival will include program competition, presentation of new TV developments, cultural & technical exchange.

NATAS, on another front, said no to producer-writer Rod Serling's proposal for an investigation of the "black-list." Some reasons: the problem is on the decline and to re-activate it now would be a disservice; should such an investigation be undertaken, it would fall within the province of unions rather than that of NATAS.

**WNTA-TV** N.Y. did the devil-&-deep-sea bit last week because of its post-1948 blockbuster "All About Eve." After airing the uncut 20th Century-Fox film, Mon.-Fri., during the week of Sept. 19, the station scheduled a trimmed-down, 90-min Sat. & Sun. version. After the edited print went on the air, some 1,000 viewers promptly phoned to protest. Alarmed, WNTA-TV did an about-face and telecast the original version next day—pre-empting the first concert in its *Great Music from Chicago* series. So? Another 1,000 viewer protests—from music lovers—jammed the switchboard.

**Irish Says Nets Unsporting:** CBS & NBC were blasted last week for abandoning sports events in prime-time TV & radio slots. The criticism came from Madison Sq. Garden Pres. Ned Irish at a TV-Radio Executives Society luncheon in N.Y. "Our sports future will have to be in pay TV, a ready-made program framework for us, since rights fees are sinking so low on free TV," Irish explained. Only ABC received praise for maintaining its nighttime coverage of sports events—particularly ABC's recent 5-year contract with American Football League, guaranteeing rights fees of \$205,000 per team.

Excuses for the network's anti-sports attitude, according to Irish (they "regard sporting contests as weekend-afternoon or summertime entertainment only"), include: "low ratings, people-want-Westerns slogans, film is cheaper than live or taped telecasts." Not only can sports draw worthy ratings, stated Irish, pointing to the 34% share of audience which hockey games recently drew on pay TV in Toronto, but they are effective for the advertiser. Backing Irish's view, Sports Programs Inc. Pres. Edgar Sherick added: "There is no better way to reach a mass male audience than with the history-in-the-making excitement of live sportscasts."

## Networks

Formal dedication of Proartel—the production company recently formed by CBS-TV stations div. and Latin-American broadcaster Goar Mestre (Vol. 16:24 p7)—took place in Buenos Aires, Argentina Oct. 1. Proartel has begun producing live, film and tape programs for govt.-controlled Rio de la Plata (Ch. 13) and for syndication to additional TV stations in Spanish-speaking areas.

### NETWORK SALES ACTIVITY

#### ABC-TV

Bugs Bunny, Tue. 7:30-8 p.m., part. eff. Oct. 18.  
*Colgate-Palmolive* (Ted Bates)

Championship Bridge, Sun. 3-3:30 p.m., part. eff. Nov.  
*West Bend Aluminum* (Western)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Oct. 2.  
*Canada Dry* (J. M. Mathes)

#### NBC-TV

Victory at Sea, Thu. Dec. 29, 9:30-11 p.m., full sponsorship one-time special.  
*Procter & Gamble* (Benton & Bowles)

Bowling Stars, Sat. 4:30-5 p.m., full sponsorship eff. Oct. 15.  
*General Mills* (Knox Reeves)

NBC News Day Report, Mon.-Fri. 12:55-1 p.m., full sponsorship eff. Oct. 3.  
*General Mills* (Knox Reeves)

Captain Gallant, Sat. 5-5:30 p.m., (re-run series) full sponsorship eff. Oct. 1.  
*General Mills* (Dancer-Fitzgerald-Sample)

World Series Spotlight, 15 min. before game time, co-sponsorship eff. Oct. 5.  
*General Mills* (Knox Reeves)  
*American Tobacco* (SSC&B)

Peter Pan, Thu. Dec. 8, full sponsorship one-time special.  
*Revlon* (Grey)

Riverboat, Mon. 7:30-8:30 p.m.; Laramie, Tue. 7:30-8:30 p.m.; Outlaws, Thu. 7:30-8:30 p.m.; Dan Raven, Fri. 7:30-8:30 p.m.; The Westerner, Fri. 8:30-9 p.m., part. all eff. Oct.  
*Simoniz* (Dancer-Fitzgerald-Sample)

## Film & Tape

**FCC Holding Pre-Hearings:** Hollywood TV film executives were being quizzed last week on the ramifications of their operations, in conferences being conducted by FCC attorneys Ashbrook Bryant & James Tierney. This is prelude to next week's public hearing in Los Angeles for the film-producer phase of the Commission's investigation of network practices (Vol. 16:39 p6). Executives questioned told us they have been asked to explain how they sell film shows, how much they cost, how long it takes to film a show, their joint ventures with network, their partners, and relations with sponsors. Remarked one: "It looks to me like they're investigating the whole film business."

The film-producer witness list for FCC's hearing, starting in the Los Angeles U.S. Court of Appeals courtroom Oct. 10, was released by the Commission last week as follows: William T. Orr, Warner Bros.; William Dozier, Screen Gems; Peter G. Levathes, 20th Century-Fox; James A. Schulke, Paramount; George Shupert, MGM; Frank Cooper, Frank Cooper Associates; Taft Schreiber, Revue Productions; Dick Powell, Four Star Films; Ozzie Nelson, Stage 5 Productions; Don W. Sharpe, Don W. Sharpe Enterprises; Don Fedderson, Don Fedderson Productions; Desi Arnaz, Desilu; Loretta Young, Toreto Films.

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**Questions for Anti-Payola Law:** The TV film industry did not consider itself involved in the TV-radio scandals which brought about the anti-payola bill. Nevertheless it is trying to comply with the measure, although Hollywood believes it is unfairly being connected with payola.

Industry leaders made this point to the FCC staff in Washington while discussing the measure as it applies to film (Vol. 16:39 p6). "They were sympathetic to our situation, and we had a worthwhile meeting," one executive told us. The FCC staffers wanted to know the industry's objections and to discuss legal ramifications.

Meeting under the aegis of the Alliance of Television Film Producers, Hollywood executives were told last week about the Washington briefings. Among questions asked by producers: "Does the bill, which became law Sept. 13, apply to films produced before that date & shown after?"

"To what lengths must we go to ferret out payola?"

"What if someone in a prop shop is receiving favors without the producer's knowledge? Is that payola?"

"To what extent are various types of cut-rate deals (such as given by resort hotels if a company locations there) subject to the new law?"

"If local authorities give help, must there be a credit line such as 'These motorcycles are supplied by courtesy of the San Francisco Police Dept.'?"

"Is it payola if a producer drives for his personal use a car given as a prop in a film?"

These & other questions will aid the FCC staff to produce the regulations, expected in 6-to-8 weeks.

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Settlement of an 8-year-old feud between Screen Actors Guild & movie producer Robert L. Lippert (over post-1948 movies which Lippert sold to TV in 1952 without paying SAG) was reached last week. Lippert comes off the Guild's "unfair" list and pays approximately \$35,000 into the Guild's pension & welfare funds in lieu of payments on the post-1948s. This follows the pattern established in the recent Guild contract with the major movie studios. Lippert, following the formula, will also pay into the Guild's p&w funds for any post-Jan. 31, 1960 movies.

## HOLLYWOOD ROUNDUP

**Extra Dividends for Talent:** Success in TV has been opening the door to rich rewards in other media for those who make it big as video writers, actors, producers and directors. It is creating new careers for some, reviving old ones for others. Here's a quick & partial list of some who are adding new show-biz luster to their names:

**Writers:** Paddy Chayefsky, Gore Vidal, Rod Serling and Arthur Penn have all parlayed TV reputations into new careers as movie and/or Broadway writers and/or producers.

**Actors:** Movie stardom has beckoned to TV-made Paul Newman, Joanne Woodward, Eva Marie Saint, Natalie Wood and the late James Dean. Comedienne Lucille Ball will star in a forthcoming Broadway musical.

**Directors:** Hollywood has siphoned off such TV-trained directors as Blake Edwards, Don Siegel, Delbert Mann, Daniel Petrie and the producer-director team of Dorrell & Stuart McGowan.

**Producers:** Martin Manulis and David Susskind have won Hollywood invitations to produce for the movies. Fred Coe has moved into Broadway productions.

**Entrepreneurs:** Actors Dick Powell, David Niven and Charles Boyer revived slackening film careers by pooling their thespian & business talents to form highly successful Four Star Productions.

**Composers:** Henry Mancini, composer of theme songs for *Peter Gunn* and *Mr. Lucky*, is now in demand at the major movie studios.

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Revue Studios has sold 26 episodes of a comedy series, *Ichabod*, to CBS-TV which plans it for a 1961 start. The series will be produced at Revue by Kayro Co.'s Joe Connelly and Bob Mosher. It was created by George Chandler and George Tibbles.

Warner Bros. will produce a movie, *Las Vegas*, to serve as the basis for a 1961 ABC-TV series. Jules Schermer will produce the film in Las Vegas in cooperation with law enforcement agencies & resort hotels.

International Video Tape Recording & Production Inc. is launching its first \$350,000 video-tape Liner, equipped with 4 new 4½-inch image orthicon British Marconi TV cameras and 2 inter-sinc equipped compact Ampex Videotape recorders.

Four Star Television has resumed production on its *Peter Loves Mary* series starring Peter Lind Hayes & Mary Healy. It has also signed Format Films Inc. to produce a half-hour animated series, *The Shrimp*, created by Four Star producer Sy Gomberg.

Screen Actors Guild board has named Chuck Connors as alternate board member, substituting for Charlton Heston, who will be out of town for 6 months.

**People:** Maxwell Shane and William Frye join Fletcher Markle as producers of Hubbell Robinson's *Thriller* . . . Martin Leeds, Desilu Productions exec. vp, has left the company following settlement of his contract. Leeds is taking a brief vacation, then will decide on several offers . . . Herb Eiseman has resigned as head of Desilu's music dept. to become exec. vp of Omar Music. However, he will continue to direct Desilu music activities as part of his job at Omar . . . Joe Craimer has been named business-affairs dir. at Paramount Television.

## NEW YORK ROUNDUP

AFTRA made strong talent demands upon 60 top officials from TV & radio networks, ad agencies, the 4A, ANA and film producers in a lengthy N.Y. meeting late last week. The AFTRA presentation ran 33 pages. The demands, all attempting to modify present codes & contracts, included TV & radio commercials, radio transcriptions, talent scales for both U.S. & international usage. One major change was suggested in the area of commercial rate structure—a breakdown of scales according to city size. No official reaction was reported from networks. A follow-up meeting, scheduled for next week (Oct. 11), will include AFTRA's West Coast & Chicago branches. "This is the first time AFTRA & SAG will sit on the same side of the fence," commented one AFTRA official.

Video-tape leader standards recommended by SMPTE to the American Standards Assn. in July were approved by NAB's Tape Advisory Committee last week. The group is responsible for operational standards; the SMPTE group develops technical standards. Also discussed, but without final decision: standard terminology, physical marking & identification, form of identifying slate preceding program material, specifications for exact timing of commercials, use of operable reels in trans-shipping. Chmn. of the NAB committee is Willard A. Michaels, WJBK-TV Detroit.

Rocky Marciano will star in his first TV series, a 30-min. boxing show, *Main Event*, to be syndicated by Programs for TV Inc. The ex-heavyweight champ will host excerpts from major Madison Sq. Garden fights from 1950 to the present. Forthcoming star boxing events will also be incorporated along with feature interviews. Premiere episode will present Marciano's last fight in 1955, and Jerry Lewis will be guest star. PTI exec. vp Everett Rosenthal will produce the series.

Columbia Pictures has assigned a package of 21 features, filmed in overseas co-production deals, to independent N.Y. film importer Jay H. Cipes for TV distribution. Most of the films—made in such countries as France, Brazil and Germany—will be English-dubbed by Cipes. Screen Gems, which ordinarily distributes Columbia features in TV, is not in the deal; Columbia believes selling strictly-foreign features is a specialized operation. For other news of Screen Gems feature deals, see p. 6).

Trans-Lux launched its newest 5-min. series, *Rube Goldberg Inventions*, with trade & consumer full-page advertising last week. The part-live part-animated series will get the same promotion treatment given to T-L's earlier 5-min. children's series *Felix the Cat*.

Add syndication sales: Independent TV Corp.'s *Best of the Post* is now in 107 markets . . . Ziv-UA's first-run *Lock Up* added 3 more markets last week to total 191.

People: Peter A. Griffith has been appointed a Trans-film-Caravel vp . . . Arthur Greenfield has been named Screen Gems North-Central area mgr. of syndication sales force . . . Kurt Blumberg has joined Robert Lawrence Productions as sales vp . . . Frank Brill has been named MCA-TV film-syndication vp . . . Donna Reed has been appointed chmn. of the TV committee for American Education Week (Nov. 6-12) . . . Carl Lindemann Jr. has been appointed Cal. National Productions program vp.

## Stations

**NEW & UPCOMING STATIONS:** This issue reports a bumper crop of new starters—3 U.S. & 2 Canadian outlets. The new U.S. stations are: KCBY-TV (Ch. 11) Coos Bay, Ore., which began Oct. 1 as semi-satellite of parent NBC-TV affiliate KVAL-TV (Ch. 13) Eugene, Ore. Non-commercial KWCS-TV (Ch. 18) Ogden, Utah, which begins this week. KEYC-TV (Ch. 12) Mankato, Minn., which also begins this week (Oct. 5) with World Series on NBC-TV. The Canadian starters are CHSA-TV (Ch. 2) Lloydminster, Alta., which began Sept. 25 and CBC's CKAM-TV (Ch. 12) Campbellton, N.B., which began Sept. 27 as satellite of parent CKCW-TV (Ch. 2) Moncton, N.B. The new outlets raise the U.S. on-air box score to 575 (90 uhf), including 51 non-commercial stations (15 uhf). The Canadian on-air total now stands at 73 outlets.

KCBY-TV has a 2-kw RCA transmitter and a 200-ft. Fisher tower. Owner is Eugene Television, headed by Pres. Robert P. Booth and gen. mgr. S. W. McCready, who operates parent KVAL-TV Eugene. Milton Lindley, from KPIC (Ch. 4) Roseburg, Ore. (KVAL-TV satellite), is resident mgr.; Glenn McCready, ex-KPIC, resident engineer. Base hour will be \$150. Rep will be Hollingbery.

KWCS-TV has a 1-kw RCA transmitter and Deale Electric antenna on a 112-ft. Stainless tower in its studio-transmitter plant at 1122 Washington Blvd. Owner is Weber County School Dist. Coming from school district's closed-circuit operation are station dir. John A. Larson & engineer Norman Barber.

KEYC-TV has a 25-kw RCA amplifier with an 11-kw driver and 1,040-ft. Kimco tower with RCA traveling wave antenna in Lewisville, Minn. Studios are on Lee Blvd. in North Mankato. Principal owners & officers are Lee Radio Inc. (KGLO-TV, Mason City, Ia.), 70%; radio KNUJ New Ulm, Minn., 10%; Lee P. Loomis (pres., Lee Radio), chmn., 2.5%; Herbert R. Ohrt (exec. vp of Lee Radio), pres., 5%; Walter K. Mickelson, vp, 5%. Bob Gardner, ex-Las Vegas TV stations, is station mgr.; Hap Halligan, ex-KGLO-TV Mason City, sales mgr.; Bob Cavanaugh, ex-KGLO-TV, program dir.; Don Borchart, ex-KGLO-TV, chief engineer. Base hour is \$300. Rep is Branham.

CHSA-TV, on Alberta-Saskatchewan border, has a 5-kw Canadian GE transmitter and 605-ft. Micro tower 8 mi. N of Lloydminster. Studios & offices are at 5036 50th St. It's getting ready to make application for TV satellites in North Brattleford, Sask., and at Cold Lake Air Base. Principal owner is Lloydminster radio CKSA. Coming from CKSA are Arthur F. Shortell, pres. & gen. mgr.; Peter J. Edwards, station & national sales mgr.; Peter Robertson, chief engineer. Programming is by kines, pending completion of a microwave link with Edmonton, Alta. Base hour is \$175. Reps are Devney-O'Connell, Jos. A. Hardy (Montreal & Toronto), A. J. Messner (central Canada) and Scharf Broadcast Sales (Pacific Coast).

CKAM-TV has an 11-kw RCA transmitter at Upsal-quitch, N.B., but won't have its own studios until late in 1961. CBC is operating satellite as unattended automatic repeater, which picks up programs via microwave link with CKCW-TV Moncton. CKCW-TV base hour is \$400. Reps are Young Canadian and Stovin-Byles.

**SPOT GAINS 9.7% IN 2ND QUARTER:** No matter how you measure it, spot TV piled up marked gains in 1960's 2nd quarter, TvB noted last week in a report based on a 334-station checkup compiled with N.C. Rorabaugh.

TvB announced at the same time that the quarterly report introduced "a major modification in both the nature of information secured from reporting stations & in the expenditure estimating." The new system divides the broadcast day into 4 parts (day, early evening, prime night, late night) vs. 3 (day, night, late night) previously used. This new division is expected to produce more detailed & precise measurement data. It also reduces the total for estimated expenditures by switching some business to lower card-rate categories.

Under the new 4-part measuring system, 2nd-quarter spot-TV spending totaled \$160,648,000. Under the previous procedure, the figure would total \$174,245,000—or 9.7% ahead of the \$158.9 million posted in 2nd-quarter 1959. The \$174.2-million volume also compares with the \$167 million posted in 1960's first quarter—the last period to be charted under the 3-part measuring system.

The bulk of the spot-TV spending (33.7% or \$54,155,000) was poured into prime-night schedules. Runners-up: day, 28.9% (\$46,392,000); late night, 20.5% (\$32,892,000); early evening, 16.9% (\$27,209,000).

More than three-fourths of the spot activity (75.4% or \$121,168,000) was in the form of announcements. Programs accounted for 13.9% (\$22,382,000) of the 2nd-quarter spot volume. IDs took 10.7% (\$17,098,000).

Food & grocery products, with total gross billings of \$41,402,000, led all product classifications in spot spending. (TV & radio sets got only \$28,000 in spot ads.) Procter & Gamble topped all advertisers during the quarter with a spot investment of \$15,198,900.

There were 4 newcomers to the list of the top 100 spot spenders (see table opposite): American Motors (\$431,800), Chun King Sales (\$412,100), Miller Brewing (\$386,700) and Union Carbide (\$435,000).

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Auto spending will rise 25% in network & spot TV during the remainder of 1960, predicts TvB, with time-&talent topping \$75 million for the year. First-half 1960 figures showed network gross time auto billings as \$22,228,114 against \$19,196,000 in the like period last year, a 16% gain. Spot billings jumped 98% from \$4,830,000 to \$9,552,000 during the same period.

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**COCKTAILS VS. CODE:** Another climax in the life of NAB's TV Code comes Oct. 4 when the Review Board meets in Washington to consider Holland House cocktail-mix spots scheduled by WPIX N.Y. (Vol. 16:39 p12). Code subscriber WPIX was commended by Review Board Chmn. E. K. Hartenbower for agreeing to hold off running the spots pending Board study. The commercials had been scheduled to start Sept. 25.

Hartenbower was concerned, NAB said, "that the taped commercial did not follow the spirit & intent of the Code & long-standing copy approaches in this classification." NAB noted that the commercial shows "the actual mixing of a whisky sour from a prepared mix & liquor."

WPIX vp-gen. mgr. Fred Thrower said the station has "certain reservations" about the Code Office's position, but "we believe in self-regulation for our industry, and since we signed up as a Code member station, we intend to fulfill our responsibilities."

## 100 Largest TV-Spot Advertisers of 1960's 2nd 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	\$15,198,900	51.	Theo. Hamm	\$504,200
2.	General Foods	5,476,300	52.	Welch Grape Juice	600,500
3.	Lever Brothers	4,779,200	53.	Drug Research	598,200
4.	Lestoil Products	2,885,400	54.	Norwich Pharm.	577,100
5.	Colgate-Palmolive	2,783,600	55.	Sun Oil	562,700
6.	Amer. Home Prod.	2,591,200	56.	Chrysler	553,200
7.	P. Lorillard	2,315,000	57.	Texize Chemicals	545,800
8.	Bristol-Meyers	2,209,900	58.	Andrew Jergens	535,800
9.	Wm. Wrigley Jr.	2,076,100	59.	Swift & Co.	525,700
10.	Standard Brands	1,743,000	60.	Stand. Oil of Cal.	515,300
11.	Wesson Oil	1,564,700	61.	Sterling Drug	514,700
12.	American Tobacco	1,523,000	62.	Phillips Petroleum	510,800
13.	Brown & Williams'n	1,492,400	63.	Vic Tanny	487,600
14.	Miles Labs.	1,408,000	64.	National Biscuit	487,400
15.	Minute Maid	1,401,800	65.	Burgerme'r Brew.	485,000
16.	Kellogg	1,388,100	66.	Fels & Co.	477,500
17.	Ford	1,316,300	67.	Maybelline	461,800
18.	General Motors	1,312,500	68.	Schaefer Brewing	457,400
19.	Nestle	1,285,300	69.	Alberto-Culver	452,600
20.	Revlon	1,239,600	70.	Associated Prod.	450,800
21.	Corn Products	1,153,400	71.	Helena Rubinstein	442,800
22.	Atlantis Sales	1,151,600	72.	Atlantic Refining	440,500
23.	Gillette	1,082,900	73.	Pacific Tel. & Tel.	439,300
24.	Warner-Lambert	1,078,800	74.	U. S. Rubber	439,200
25.	Anheuser-Busch	1,078,000	75.	Union Carbide	435,000
26.	Philip Morris	1,044,000	76.	American Motors	431,800
27.	Simons	1,036,300	77.	Piel Bros.	429,200
28.	Mennen	1,031,500	78.	Parker Pen	429,100
29.	Inter. Latex	1,004,500	79.	Texaco	424,700
30.	Coca-Cola	985,400	80.	United Fruit	419,500
31.	J. A. Folger	917,700	81.	B'ch-Nut Life Sav.	413,500
32.	S. C. Johnson	900,700	82.	Chun King Sales	412,100
33.	Pabst Brewing	898,200	83.	A & P	410,800
34.	Food Mfrs.	895,200	84.	Minnesota Mining	410,300
35.	Continental Baking	886,400	85.	E. F. Drew Co.	406,600
36.	Pepsi-Cola	880,300	86.	Schlitz Brewing	403,700
37.	R. J. Reynolds	857,700	87.	Hertz	403,300
38.	Avon Products	843,000	88.	Stand. Oil of Ind.	402,900
39.	General Mills	814,300	89.	Hudson P. & P.	401,400
40.	Esso	733,800	90.	Pepperidge Farms	400,500
41.	Carling Brewing	708,700	91.	Pharma-Craft	400,200
42.	United Merchants	652,100	92.	Gallo Winery	394,500
43.	Max Factor	652,100	93.	Lanolin Plus	391,600
44.	Tidewater Oil	651,800	94.	Miller Brewing	386,700
45.	U. S. Borax	651,100	95.	Safeway Stores	372,800
46.	Consolidated Cigar	649,800	96.	Carnation Co.	370,100
47.	Shell Oil	646,100	97.	American Sugar	366,000
48.	Falstaff Brewing	635,500	98.	B. C. Remedy	362,600
49.	Carter Products	633,300	99.	P. Ballantine	356,400
50.	Mobil Oil	615,300	100.	Hills Bros. Coffee	354,000

Philco must have a crack at Ch. 3 Philadelphia in a comparative hearing with NBC on the renewal of its license for WRCV-TV, Philco urged last week in a pleading with the Commission. RKO General, which is swapping its Boston stations with NBC's Philadelphia outlets, had argued that the Commission is obligated to act on the transfers first. In a 33-page brief, Philco stated why a hearing should be conducted to determine whether NBC is entitled to a license which it can transfer to RKO General.

Operation of both uhf & vhf in Eau Claire, Wis., sought by WEAU-TV which operates Ch. 13 there, has been opposed by Chippewa Cable Co., owner of a CATV system in Chippewa Falls. It informed the FCC that it plans to file for Ch. 25, as did WEAU-TV. WEAU-TV responded by saying that it has no objection if the CATV system is sincere; suggested therefore that the Commission require Chippewa to apply for Ch. 25 within 30 days and build within "a reasonable period of time" after it gets a CP. If Chippewa drags its feet, the station said, its CP should be taken away & given to WEAU-TV. Meanwhile, FCC is looking into the idea of finding another uhf channel so that both applicants can be accommodated.

## U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WNEW-TV New York	\$3000 (no change)	\$478 to \$600	Sept. 1
KPRC-TV Houston	1200 to \$1300	300 to 350	Oct. 1
KPTV Portland, Ore.	900 to 950	315 (no change)	Sept. 1
KREM-TV Spokane	675 to 750	190 to 220	Sept. 1
KCPX-TV Salt Lake City	650 (no change)	180 to 200	Sept. 1
WREX-TV Rockford, Ill.	500 to 550	115 to 130	Aug. 15

**COLOR REJECTED IN CANADA:** "The time has not yet come for introduction of color telecasting in Canada." This was the ruling at week's end by the Board of Broadcast Governors which had been urged by individual telecasters, the Canadian Assn. of Broadcasters and EIA of Canada to authorize colorcasting using U.S. NSRC standards.

BBG said it will authorize only black-&-white telecasting "until further notice." Its announcement stated that "color TV has been promoted expensively in the U.S. since 1953, but only 500,000 color sets are in operation, compared with 52 million black-&-white." It indicated it will stand pat on its no-color decision "until color broadcasting & reception have received wider acceptance in the U.S. & nearby Canadian cities."

Canada's color-set ownership, therefore, will continue to be confined to border areas within the reach of U.S. color stations.

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BBG has declined to order a change in power for CHEK-TV Victoria to avoid interference with KING-TV Seattle in the Canadian areas of Vancouver Island and the lower mainland of British Columbia. Reason: CHEK-TV is delivering programs to 96,000 Canadians not previously served by any station. BBG added that wave traps could be installed by owners in interference areas and that CHEK-TV would have authority to carry U.S. programs after April 1, 1962, provided it adheres to the 55% Canadian content rule.

Payola charges against Metropolitan Bestg. Corp. weren't substantial enough to warrant holding up its various pending applications any longer, FCC concluded last week, and it granted: (1) Metropolitan's purchase of WTVF (Ch. 17) Decatur, Ill. for \$570,000. (2) Its purchase of international station WRUL Scituate, Mass. for \$1 million. (3) Renewal of WTTG Washington. Comr. Bartley dissented in all 3 cases, Cross in the first 2. Cross said he would have given WTTG a 1-year renewal.

FCC has approved sale of WCHS-TV (Ch. 8) Charleston, W.Va. from the Tierney Co. to Rollins Telecasting Inc. subsidiary C-B-T Inc. (Vol. 16:29 p10). Price: \$2,598,000, plus a total of \$46,200 annually for 2 years to Tierney Pres. H. D. Battle and vp John D. Gelder.

Jaundiced FCC eye, by 4-3 vote, has been cast at radios KORD Pasco, Wash. and WAVZ New Haven, Conn., which have been told that they may have to go to hearings on their license renewals. With Comrs. Hyde, Craven and King dissenting, the Commission indicated that it believes the stations have interrupted their schedules with too many spots and have failed to carry out their program promises.

Seven more Super Universal Zoomar lenses have been delivered to ABC-TV, N.Y., Television Zoomar Co. announces. Other recent Super Universal Zoomar shipments: KMID-TV Midland, Tex., WWJ-TV Detroit, KLFY-TV Lafayette, La., WBRZ Baton Rouge, KTLA Los Angeles; Herald-Sun TV, Melbourne, and BTV, Brisbane, Australia; Radio Rio, Brazil; Ch. 9, Buenos Aires.

Public-service idea: KIMA-TV Yakima, Wash., to spur contributions to the local United Good Neighbor Fund drive, is awarding ad time on a dollar-for-dollar basis to each company that delivers its UGN quota. The public-spirited gesture won praise from Wash. Sens. Jackson & Magnuson.

**NAB Conference Agenda:** TV session of NAB's first fall conference in Atlanta Oct. 14 will include: "The Image Asset," by TIO dir. Louis A. Hausman. "Your Stake in Quality," a Code discussion by Review Board member Robert F. Ferguson, WTRF-TV Wheeling, and Edward H. Bronson, NAB TV Code Affairs dir. "The Future of TV," by TvB Pres. Norman Cash and TvB station relations dir. William MacRae. "A Look at the Balance Sheet," by NAB TV vp Charles H. Tower, who will preside over the whole session.

The Oct. 13 joint TV-radio general session has this agenda: "The Importance of People," emphasizing the human factor, by NAB industry affairs vp Howard H. Bell. "Money & Manpower," a case history of staff selection & salaries, by NAB mgr. of broadcast personnel & economics James H. Hulbert. "Ambassadors to the Community," dealing with "public image & community acceptance," by NAB mgr. of public relations John M. Couric. "The Engineering of Agreement," a discussion on "The Art of Getting People to Accept an Idea or Product," by NAB mgr. of station relations William Carlisle. Hulbert will also lead a discussion on "Managing the Salesman," and a representative of the Assn. for Professional Broadcasting Education will cover employee recruitment.

TvB-sponsored research competition, the first of its kind, has the broad aim of finding methods for studying the effects of TV on human behavior. A governing committee, headed by Yale U. Prof. Mark A. May and TvB research vp Leon Arons, has announced that persons from any occupation are eligible to submit plans. A total of \$10,000 will be awarded for the 18 top submissions. "The competition is an appeal to the scientific community to lend its creative talent to the solution of problems in mass communications," stated Dr. May. The project is a development of the basic research program launched by TvB 2 years ago.

Charles M. Stone, ex-radio WMBR Jacksonville, has been named administrator of NAB's Radio Code, reporting to radio vp John F. Meagher and guided by a 9-member Radio Code Board headed by Cliff Gill, KEZY Anaheim, Cal. Stone is 45, began with radio WJBY Gadsden, Ala. in 1934, joined WMBR in 1936, moved up to vp for TV administration before leaving in Jan. 1959 to become a partner in the Mason, Dow & Stone ad agency. NAB said Stone's duties will include preparation of a monitoring program to insure compliance with the Code.

Speech by Rep. Harris (D-Ark.), chmn. of House Commerce Committee, prepared for delivery Sept. 30 at the convention of the Ala. Bestrs. Assn. in Tuscaloosa, briefly summarized legislative activity of the last Congress. The bills passed, he said, "far from hurting the industry, will help it to grow stronger & more responsible."

Taped tribute to broadcasters by President Eisenhower—for use this week on Continental Broadcasting Day (Oct. 4)—has been requested & received by 1,332 NAB members. NAB Policy Committee Chmn. Clair R. McCollough said that the President's words "should make every broadcaster proud of his profession."

## Foreign

Telecentro de Guadalajara has been opened in Mexico's 2nd biggest city by Telesistema Mexicano. Although Telesistema currently has only one channel in operation in Guadalajara, the deluxe studios are big enough to accommodate future stations there.

## Advertising

**Broadcasters Star in July:** Despite way-out gains by network radio (27%) & TV (21%), the July national ad volume rose only 6% above the July-1959 level, reports *Printers' Ink*. The broadcast-media bonanza was sharply whittled by newspapers' 11% decline and magazines' modest 5% increase, the latest index shows.

Year-to-date business failed to gain from the preceding month (Vol. 16:36 p9), closed out again at 9% ahead of 1959's Jan.-July volume. (1960's widest cumulative lead thus far has been the 11% gap at the end of March.) All major media, with the sole exception of network radio, posted cumulative gains: magazines (15%), network TV (9%), business papers (8%), newspapers (5%). Although radio still lagged 3% behind Jan.-July 1959, it had come a long way in closing the gap since the 21% deficit at the end of February. Radio also was up in July from June, by 4%. Also up were TV (11%) & magazines (1%). Among the downers: newspapers, with an 8% deficit.

Medium	Index		% Change from			% Cumulative Change
	July 1960	July 1959	1 month ago	1 year ago		
General Index .....	247	234	+ 2	+ 6		+ 9
Total Magazines .....	195	185	+ 1	+ 5		+15
Weekly .....	221	206	- 2	+ 7		+19
Women's .....	136	138	+11	- 1		+ 8
General Monthly .....	250	227	+ 8	+10		+11
Farm .....	87	114	- 8	-24		- 2
Newspapers .....	203	228	- 8	-11		+ 5
Network Television ..	547	453	+11	+21		+ 9
Network Radio .....	28	22	+ 4	+27		- 3
Business Papers .....	250	223	+ 3	+12		+ 8
Outdoor .....	166	163	- 3	+ 2		+ 5
1st Qtr. 1st Qtr. 4th Qtr. 1 year						
'60 '59 '59 ago						
Spot TV* .....	762	672	+ 3	+13		+13

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 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. \*Spot TV data, although shown monthly, reflects the preceding quarter's activity.

Lever Bros. will spend 70% of ad budgets on spot-TV tests for 4 new commercial products, we learned last week. Products & agencies: Summer Country, a premium-priced margarine (Sullivan, Stauffer, Colwell & Bayles), now testing in Nashville. Vim, a detergent (Ogilvy, Benson & Mather), is being tested in Ft. Wayne. Starlight Shampoo and Mrs. Butterworth's Syrup (J. Walter Thompson) are making their debuts in Cleveland, Indianapolis, Syracuse.

"Without strong & cooperative advertiser-agency relations," a TV commercial may confuse, surprise and annoy the very advertiser who should have assessed it long ago," said adman John Orr Young at the ANA Workshop in Chicago last week. Opinion Research Pres. W. G. Barlow pointed to tests showing viewer reaction to a company before & after national TV advertising. Results indicated "after the show viewers held a broader & deeper image of the company." TV can be very effective in projecting an image, Barlow added, "particularly if the right show at the right time is selected by the advertiser."

New ANA-4A joint program to improve advertising content, control its honesty and to police association members is about to be announced. The 2 big ad groups, representing nearly all major clients & agencies, are meeting this week (Oct. 3) in N.Y., at which time they'll announce committees, personnel, and implementation of the program. Both groups have been active individually in ad policing before & since the payola hearings & FTC crackdowns, but the new program will be their first joint effort.

**Ad People:** Alfred J. Seaman, former vice-chmn. & exec. committee chmn., named pres., Sullivan, Stauffer, Colwell & Bayles, succeeding Brown Bolte, who becomes vice-chmn. Raymond F. Sullivan, a founder, will be exec. committee chmn. . . . George C. Reeves named to new post of J. Walter Thompson exec. vp; Wallace Elton and Dan Seymour, vps, named to exec. committee; W. D. Laurie Jr., elected a dir.

Edward H. Mahoney, ex-Benton & Bowles and Cunningham & Walsh, named vp-mgr., Fuller & Smith & Ross TV-radio dept. Peter Cardozo, FSR TV-radio copy creative dir., will assume responsibility also for TV-commercial production . . . Hubert M. Tibbets named senior vp, Lennen & Newell . . . Burt Avedon named West Coast operations vp, Kenyon & Eckhardt.

August A. Wavpotich named Ogilvy, Benson & Mather vp . . . Julian Bass appointed a Donahue & Coe vp . . . Rand Grochoske named Guild, Bascom & Bonfigli TV-art dir.

**New reps:** KVIQ-TV Eureka, Cal. to Hollingbery Sept. 1 from McGavren • WDAF-TV Kansas City to Petry Oct. 1 from Harrington, Righter & Parsons • KOMU-TV Columbia, Mo. to Avery-Knodel Oct. 1 from H-R Television • KIEM-TV Eureka, Cal. and KOTI Klamath Falls & KBES-TV Medford, both Ore., to Young Sept. 1 from Hollingbery • KNOP North Platte, Neb. to Gill-Perna Sept. 1 from Bob Dore • KDIX-TV Dickinson, N.D. to Forjoe Sept. 15 from Holman • Upcoming WTVI Fort Pierce, Fla., due in Nov., and CFTM-TV Montreal, Que., target not reported, have named Forjoe as rep.

**Heavy Yuban spot-TV campaign** is planned by General Foods Corp. to introduce instant Yuban in the Midwest & South. The premium-priced brand has completed a 15-month trial saturation campaign in Northeast, using all media, reported Yuban's agency, Benton & Bowles.

Blair Co.'s St. Louis branch's move to new quarters this week (Oct. 3) nearly doubles its previous space in the Paul Brown Bldg., 818 Olive St. Telephone changes to Garfield 1-5262.

Forjoe-TV's Los Angeles office has moved to 6362 Hollywood Blvd., Los Angeles 28 (Hollywood 2-1397).

## Educational Television

ETV got a break in FCC's latest ruling on the disposition of frequencies above 890 mc when the Commission said that it would allow ETV to use 6,575-6,875 mc for inter-city relays, granting them on a case-by-case basis. The Commission stated that frequencies above 10,000 mc must be used by ETV for intra-city & other short-hop operations. As for short-range space allocations, FCC said, no specific assignments are being made now "in view of present uncertainties." Comments on long-range space allocations are due March 1, 1961.

Educational KQED San Francisco went off the air for the hour of the Presidential debate, having advised viewers to turn to one of the network channels & watch the debate.

Educational Ch. 9, San Antonio—one of the few unused major-city ETV channels—has been granted to the Southwest Texas Educational TV Council.

Six 2-hour drama programs, produced for TV in U.S. & abroad, premiere this month on NET's ETV network. *NET Drama Festival* will feature filmed dramas originally produced by BBC, CBC & WQED Pittsburgh.

## Television Digest

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**TELEVISION FACTBOOK TV & AM-FM ADDENDA AM-FM DIRECTORY**  
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**Personals:** Richard A. Borel, WBNS-TV Columbus, O., elected chmn., CBS-TV Affiliates Assn. . . . Henry S. White, ex-Screen Gems & CBS-TV, named vp-gen. mgr. WNTA-TV Newark-N.Y. . . . Russ Raycroft, ex-WGN, Dancer-Fitzgerald-Sample, & Wilding Inc., appointed station mgr., KPLR-TV St. Louis . . . Bill Palmer, Paramount TV business mgr., resigns to join Tide Water Oil Co. . . . Joseph Bloom, pres. of Forjoe-TV, adds duties of national sales mgr., WJPB-TV, W.Va., operating out of Forjoe's N.Y. headquarters.

John S. Hayes, president of *The Washington Post* Best. div. (WTOP-TV & WTOP Washington, WJXT Jacksonville, Fla.) appointed by Lyndon B. Johnson as his network TV-radio policy consultant-coordinator . . . Mark L. Wodlinger, WMHD-TV Peoria national sales mgr., named station mgr. . . . Robert Schneider, ex-CBS-TV Spot Sales, named research dir., Edward Petry TV div. . . . Robert Van Roo named A. C. Nielsen promotion dir. of Nielsen Coverage Service, headquartered in Chicago . . . Frank Wayne Peers appointed CBC information programming dir. (news, public affairs, school bests. etc.) . . . William G. Wilkins named finance dir., Columbia Records.

**Extra-curricular activities:** John Thompson, NBC West Coast mgr. of news & special events, elected pres., Radio & TV News Club of Southern Cal.; Bill Crago, KFWB Los Angeles, named vp . . . George A. Heinemann, NBC public affairs mgr., to teach TV course at Columbia U. . . . Ed Benham, chief engineer, KTTV Los Angeles, teaching course in video-tape editing at USC.

Joseph F. Zias has withdrawn from Loucks, Zias & Jansky to set up his own law office at 605 Colorado Bldg., Washington 5, D.C. (Sterling 3-5750).

## Obituary

Harlow Wilcox, 60, former NBC newscaster & announcer, died Sept. 24 in Hollywood. He was for 16 years announcer for the *Fibber McGee & Molly* radio show during the 1930's & 1940's, and before that was with *Myrt & Marge* at CBS Radio.

George Francis Lewis Jr., 41, secy. of Technicolor Inc., died Sept. 27 in Lenox Hill Hospital, N.Y. He was a partner in the law firm of Lewis & McDonald. He is survived by his wife and mother.

Judge Horace Stern, the venerable (82) former Pa. Supreme Court Chief Justice who has served as FCC's examiner in its Miami & Boston "influence" cases, resigned effective Sept. 15. FCC Chmn. Ford, the "talent scout" who approached Judge Stern for the job initially, accepted the resignation with this statement: "You have given to us a model of judicial acumen, concise writing and forthright expression which will make its impact felt upon the Commission and its staff in the years to come."

Meetings next week: N.C. Assn. of Bests. fall meeting (Oct. 9-11), Battery Park Hotel, Asheville • National Electronics Conference (10-12), Sherman Hotel, Chicago • Industrial Film & Audio-Visual 4th annual exhibition (10-13), Trade Show Bldg., N.Y. • Audio Engineering Society 12th annual convention (11-14), Hotel New Yorker, N.Y. • RTES production workshop (12): "For Prophets & Profits," Hotel Roosevelt, N.Y.

Junior's nighttime TV viewing—or at least some of it—is credited as homework under a plan at Brooklyn's Junior High School 64. Program suggestions are made weekly by the school and students discuss their viewing in class. The Sept. 26 Nixon-Kennedy debate was mandatory, and parents were requested to allow their children to watch in case others in the family might have preferred a competing program, explained school principal Jacob Landers.

"TV Guide Roundup," an anthology chosen from the magazine's recently published articles & editorials, will be published Oct. 10 by Holt, Rinehart and Winston, N.Y. (\$2.95; 237 pp.).

## Technology

Language-translating telephones which will permit direct conversation among people in different foreign countries can be expected within the next 20 year, Sylvania's Dr. Edwin G. Schneider forecast before the convention of the Telephone Assn. of New England. He said that automatic translation of transoceanic telephone conversations would be accomplished with advanced data-processing & communications devices.

Photo-printing electron tube which reproduces high-quality pictures from electronic signals transmitted over telephone, telegraph or radio circuits has been developed by Raytheon. The new tube, which resembles a flattened TV picture tube, makes it possible to print transmitted news pictures in as little as a third of a second, according to industrial-components div. gen. mgr. Robert L. McCormack. He said the printer tube is now being produced in sampling quantities.

## Auxiliary Services

FCC vhf & uhf translator rules were eased last week to permit an originating translator, where several operate in "clusters" or "in tandem," to identify all the repeaters involved by transmitting their call signs. Previous rules required that each translator have an automatic device to transmit its call sign. The new rules are effective Oct. 10.

Uhf translator grants: Ch. 70 & 74, for Canadian & Higgins, Tex., and Ch. 72 & 76, for Booker, Darrouzett & Follett, Tex., to C L & O Translator System Inc. Ch. 77, Likely, Cal., to Likely TV Club. Ch. 81, Ellensburg & Kittitas Valley, Wash., to Kittitas Valley TV Assn. Ch. 74, Hood River, Ore., to Columbia Gorge TV Inc.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**JAPAN TV-RADIO IMPORTERS' DIRECTORY:** Useful list of some 65 importers & distributors of Japanese transistor radios (& TV sets) will be found on page 16 of this issue.

Because of the need for this information, we are printing this preliminary directory now, will update & complete it in future. Most of the information in the current directory is from Japan Trade Center in N.Y.

Directory gives name & address of each importer and/or distributor, telephone number, brand name under which the products are sold in U.S., and—wherever verifiable—name of Japanese manufacturer of each product brand.

Most importer-distributor set-ups are independent, but there's increasing trend toward establishment of U.S. branches by large Japanese firms—i.e., Matsushita, Mitsubishi, Sony.

**TV SALES STILL MAY TOTAL 6.2 MILLION:** Despite potentially serious inventory situation & sharp drop in distributor sales to dealers (Vol. 16:39 p14), most manufacturers still think that retail TV sales can total 6.2 million sets this year. While this is fairly sharp drop from the 6.5-6.7 million predicted earlier in 1960, it's still nearly 10% ahead of 1959.

Industry is in rather strange position of being caught with excess inventories while reports from the field indicate relatively good movement at retail. While overproduction alarm is being sounded, it's worth noting that most set makers are reporting Sept. retail pickup. If sales for last 4 months of this year run about same as 1959 months, 1960 could be a 6.3-million set year. But even at this pace, production brakes must be applied to prevent serious dumping situation.

Thus sights are being readjusted from an "excellent" to a "good" retail year in 1960—good when contrasted with last year's 5.75 million and 1958's 5.14 million. On distributor level, as we reported last week, sales may fall slightly short of last year's 6-million mark.

Most manufacturers have predicted healthy retail TV business last 4 months of this year—and this week's information seems to substantiate those forecasts. Add to this the fact that most economic surveys—including those by Federal Reserve Board and U. of Michigan—report consumer buying plans for remainder of year are equal to last year or slightly higher. This combined with growing replacement market indicates that 6.2 or 6.3 million set sales isn't unreasonable figure for 1960.

At last year's end, most manufacturers were willing to settle for 6.1 million in 1960. In our annual survey of manufacturers' predictions for the coming year last Dec., more than half of the forecasters gave the 6.1-million set figure (Vol. 15:51 p14). Good movement the first 6 months of this year caused many to revise their predictions upward.

Major problem continues to be trimming production to match revised sales rates—and this is a problem at top factory level. There may also be some streamlining of lines to cut out slow-moving models. One of first moves in this direction is being taken by Packard Bell, which plans to drop 3 to 8 sets—depending on outcome of survey now being conducted among its distributors. Chances are some of those dropped will be 17- & 21-in. sets, but it's understood some 19-in. models may also be weeded out.

Often neglected in sales picture is importance of dollar volume. Last statistics indicate that average factory price per set sold this year may be highest since 1953, with consoles & combinations accounting for biggest proportion of set sales in 7 years (Vol. 16:34 p14).

Consumer income is at record, and money is available for spending on high-quality merchandise. Competition for consumer's dollar never was greater, though, and we think Magnavox midwestern sales mgr. Austin Cunningham put his finger on basic problem which now confronts TV merchandisers, in a recent talk to dealers:

"Your competitor up the street," he said, "should be the least of your worries. Your real competitors are the ones to worry about—boats, long vacations, wall-to-wall carpeting, swimming pools, country club memberships, second cars. These people are outselling us!"

**JAPANESE TV MARKET-TEST THIS WEEK:** First test of sales power of Japanese TV sets comes this week when New York's Liberty Music Stores begin pushing Delmonico 19-in. portables at \$159.95. Trade will be following public reaction closely, since the Japanese set—though attractive—is conventional thinline portable and is being sold at price not much below actual selling prices of similar U.S.-brand sets.

**Quality-conscious Liberty** (Magnavox TV, top brands of component hi fi) kicks off promotion of Delmonico TV with ads in Sunday papers Oct. 2. The portable, made by Japan Victor, has been displayed in Liberty show windows for a week, but store officials withheld comment on customer reaction pending ad results.

Liberty has been quite successful with Japanese radios, strongly featuring Sony line in displays & ads. Liberty is also to handle Delmonico (Japan Victor) 8-in. battery portable TV, due for Christmas sales.

Delmonico officials say they've received about 500 sets so far, with 1,000 more due to arrive early this month. They're shipped without the 19-in. picture tube—U.S.-made tube being inserted upon arrival. Delmonico says its sets will be carried by Macy's, J. L. Hudson (Detroit), Jordan-Marsh (Chicago), among others. We were told by Macy's that the N.Y. store will begin handling Delmonico TVs this month.

Gimbels was ahead of Macy's in selling Japanese-made TVs, however, having picked up a few Star-Lite 8-in. power-cord sets (non-transistorized) and sold them at \$99 each (Vol. 16:36 p12). A store spokesman said the set "has a lot of appeal to it" and that all on hand were sold, including the samples, without any advertising. He declined to state the number of sets moved, except to say it was a relatively small amount. "It performs very well," he said, adding somewhat wistfully: "Too bad we can't sell 'em for \$65."

Star-Lite set is made by Riken Industries for Star-Lite Merchandise Corp., N.Y. Star-Lite co-owner Charles Dayon said some discount houses have also sold the tiny sets, also at \$99. Next problems for Star-Lite, he said, are to improve delivery schedules, which have been slow, and to "make the product better."

The question still remains whether public will buy Japanese-made TV sets in quantity when American brands are selling at comparable prices in special promotions. Competing in price with the 8-in. set are 90-degree 17-in. price-leader portables, now being widely promoted in N.Y. stores at \$88-\$110.

Price promotions aren't being confined to "obsolete" sets. In a class with Delmonico's set, both in tube size & price, we observed Philco & Emerson 19-in. portables at \$159 & \$169 respectively at Macy's, along with Sylvania 23-in. consoles & lowboys at \$199 & \$219.

A hybrid U.S.-foreign TV-radio-phono combo is best seller in one of New York's big appliance chains, incidentally. Vim has been offering German-made Metz TV-phono-AM-FM-SW combinations which incorporate 21-in. RCA TV chassis (Vol. 16:2 p20) for nearly a year. At \$500 & \$520, "they're our biggest-selling TV combinations," we were told.

#### **TV-RADIO PRODUCTION:** EIA statistics for the week ended Sept. 23 (38th week of 1960):

	Sept. 16-23	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	143,808	138,092	183,441	4,218,163	4,300,722
Total radio .....	424,457	385,823	411,956	11,882,213	10,460,308
auto radio .....	176,733	147,804	146,979	4,517,624	3,968,266

Hertz will rent TV sets, and a range of other merchandise, through new subsidiary Hertz Rent-All Corp. which has been formed by the worldwide car & truck rental & leasing organization. Pres. Walter L. Jacobs said the new subsidiary's first office will be established in Chicago around Nov. 1 and be the forerunner of a national chain of company-owned & franchised outlets. "We feel certain that there is a great unrealized potential in the 'rent all' field," Jacobs noted. "The present volume of the existing 'rent all' industry by the many independents in the U.S. has been estimated at more than \$100 million annually." In addition to TVs, the Hertz subsidiary plans to rent products ranging from party supplies and hospital & sickroom equipment, to reducing aids, silverware and cribs.

Strike at GE by 70,000 IUE members of the total 240,000 work force was slated for midnight Saturday with expiration of the 1955-60 contract. Among major issues involved, IUE wants a 2-year pact with a 3½% minimum wage increase tied to worker productivity and the cost-of-living index. GE has offered a 3-year contract with an immediate 3% increase, a 4% boost 18 months from now. The Federal Mediation and Conciliation Service had asked both sides to continue negotiations "without interruption of production" beyond the strike deadline. Earlier last week, GE notified its vendors of the "impending strike action," announced it would start furloughing several hundred workers at its Louisville home-appliances plant in anticipation of a shutdown.

## Directory of Importers & Distributors of Japanese Transistor Radios

NAME, ADDRESS, PHONE	BRAND	MANUFACTURER	NAME, ADDRESS, PHONE	BRAND	MANUFACTURER
A & A Trading Co., 1140 Broadway, N.Y. Murray Hill 4-2758	Brighton Realistic	—	Lissner Trading Corp. 134 N. LaSalle St. Chicago 2, Ill.	Mitsubishi	Mitsubishi Electric Mfg. Co.
A & S Trading Co. (see Yamakawa Trading Co.)			Longwood Radio Distributors 1261 Broadway, N.Y. MU 3-6481	Longwood	—
Aiwa Electric Co. 15109 Broadway, Cleveland, O. GR 5-1252	Aiwa	Aiwa Co. Ltd.	Majestic International 75 Sedgwick St. Brooklyn 31, N.Y. UL 2-6000	Koyo	—
Arrow Trading Corp. 47 W. 30th St., N.Y. OR 9-4554	Arrow Hartman	—	Mantone Radio Co. 263 Canal St., N.Y. CA 6-1081	Little Pal Mantone Manhattan	—
Brother International Corp. 36-50 38th St. Long Island City, N.Y. EM 1-2690	Brother	—	Marubeni-Iida American Inc. 39 Broadway, N.Y. WH 4-9100	Beniida	—
Charles Brown & Co. 1170 Broadway, N.Y. MU 3-0802	Browni	—	Masuyama International Corp. 214 W. 14th St., N.Y. CH 2-6175	Global	Global Mfg. Co.
California Radio & Electronics 823 N. Highland Ave. Hollywood 38, Cal.	Calrad	—	Matsushita Electric Corp. 41 E. 42nd St., N.Y. MU 2-6244	Matsushita	Matsushita Electric Industrial Co.
Canton-Son Inc. 12 W. 27th St., N.Y. OR 9-7550	Crestline	—	Mitsubishi International Corp. 120 Broadway, N.Y. DI 9-3700	Mitsubishi	Mitsubishi Electric Mfg. Co.
Channel-Master Corp. Ellenville, N.Y. EL 1300	Channel-Master	Sanyo Electric Co.	Mitsui & Co. 530 Fifth Ave., N.Y. YU 6-9600	Viscount Trav-Ler	—
Commodore Import Corp. 74 Throop Ave. Brooklyn 6, N.Y. EV 8-2651	Commodore	—	Nichimen Co. 39 Broadway, N.Y. DI 4-0216	Jefferson Travis Continental Olympic Universal	—
Concord Overseas 15 Moore St., N.Y. WH 4-3977	Marvel	Yokohama Tsushin Kogyo Co.	Nishio American Corp. 74 Trinity Place, N.Y. WH 3-7840	Ten	Kobe Kogyo Corp.
*Consolidated Sewing Machine Corp. 1115 Broadway, N.Y. WA 9-6900	Viscount	—	Omscolite Corp. Stokley & Roberts Sts. Philadelphia BA 3-9900	AM/FM 7	—
Continental Mdse. Co. 236 Fifth Ave., N.Y. MU 3-3540	Continental	—	Panorama Enterprises 1289 S. La Brea Los Angeles 19, Cal.	Fleetwood	New Hope Industrial Co.
Delmonico International 42-24 Orchard St. L. I. City, N.Y. ST 6-8108	Delmonico	Victor Co. of Japan (TV & stereo) Fuji Denki & others (radio)	Peerless Radio Distributors 92-32 Merrick Rd., Jamaica, N.Y. JA 3-3456	Koyo Romance	—
Eastern Associates Ltd. 214 Mission St. San Francisco, Cal.	Zephyr	—	Petely Sales Corp. 300 Park Ave. S., N.Y. AL 4-7820	Hi-Delity	Victor Co. of Japan
Eisenberg & Co. 52 Broadway, N.Y. BO 9-4062	Fuji Denki	Fuji Denki Co.	Polyrad Corp. 521 Broadway, Cincinnati 2	—	—
Elize Mercantile 1140 Broadway, N.Y. MU 5-9104	Constant Eterna	Eterna Tsushin Kogyo Co.	Realtone Electronics 184 Fifth Ave., N.Y. CH 3-9106	Realtone	Realtone Electronics Inc.
Excel Corp. of America 9 Rockefeller Plaza, N.Y. JU 6-2960	Cosmopolitan Excel	—	Sanyo Trading Co. 149 Broadway, N.Y. CO 7-3948	Ten Onkyo Wilco	Kobe Kogyo Corp. Osaka Onkyo Co.
Fortune Star Products Co. 1207 Broadway, N.Y. MU 4-7140	Capri	Japan Communications Industry	Sampson Co. (see International Importers)	—	—
General Export Co. 74 Sacramento St. San Francisco, Cal.	Fortune 4-Star Viscount Jupiter	—	Shiro Inc. (see Linmark International)	Ten	Kobe Kogyo Corp.
Gosho Trading Co. 50 Broad St., N.Y. WH 3-0530	Toptone	Tokyo Optical & Radio Mfg. Co.	S. S. Schultz Co. 1186 Broadway, N.Y. OR 9-5948	Hitachi	Hitachi Ltd.
Culver Gray & Co. 160 Fifth Ave., N.Y.	Marvel	Yokohama Tsushin Kogyo Ltd.	*Solo Electronics Corp. 190 Washington St., N.Y. WO 2-1042	Sony	Sony Corp.
Harpers International Inc. 315 Fifth Ave., N.Y. MU 4-3660	Harpers	—	Sony Corp. of America 514 Broadway, N.Y. WO 6-0800	Star-Lite Merchandise Corp. 37 W. 23rd St., N.Y. WA 9-1742	Riken Industrial (TV)
Intercontinental Industries 555 W. Adams St., Chicago	Minute Man	—	Star-Lite Merchandise Corp. 410 S. Spring St. Los Angeles 13, Cal.	Suntone	—
International Importers Inc. (The Sampson Co.) 2242 S. Western Ave., Chicago	Hitachi	Hitachi Ltd.	Toyama & Co. 855 Sixth Ave., N.Y. LO 5-5748	Candle	Tokyo Transistor Industrial Co.
Inter-Ocean Commerce Corp. 170 Broadway, N.Y. WO 4-1650	Spica Holiday	Sanritsu Denki Co. Sanshin Jitsugyo Co.	Toymenka Inc. 2 Broadway, N.Y. DI 4-6130	Sharp Invictor	Hayakawa Electric Co.
Isac & Co. Ltd. Miami, Fla.	Faraday	—	Trade Distributors Inc. 461 Fourth Ave., N.Y. MU 6-5442	Ardsley Empire	—
Iwai N.Y. Inc. 350 Fifth Ave., N.Y. PE 6-1800	Nanaola	Nanao Radio Co.	Trans America Import & Export 116 S. Michigan Blvd. Chicago 3, Ill.	General	Yaou Electric Co.
Kanematsu N.Y. Inc. 150 Broadway, N.Y. BE 3-2890	NEC	Nippon Electric Co.	*Transistor World Corp. 52 Broadway, N.Y. BO 9-5460	Toshiba	Tokyo Shibaura Electric Co.
Kent Overseas 14 W. 23rd St., N.Y. AL 5-7470	Kent	—	Transworld Industrial Corp. 50-27 38th St., L. I. City	Transcel Fleetwood	New Hope Industrial Co.
Kowa American Inc. 230 Fifth Ave., N.Y. LE 2-0665	Kowa Longwood	Kofuku Sangyo Co.	Yamakawa Trading Co. 224 W. 30th St., N.Y. LO 5-2418	Fujiya	Fujiya Corp.
Lafayette Radio Corp. 165-08 Liberty Ave. Jamaica 33, N.Y. AX 1-7000	Argonne Lafayette	—	Yashica Inc. 234 Fifth Ave., N.Y. MU 3-4730	Yashica	Yashica Inc.
Linmark International Corp. 276 Fourth Ave., N.Y. GR 7-7500	Crown Linmark	Asahi Radio Mfg. Co.	*Distributor only		

**A Japanese Looks At Color:** An interesting wrap-up of color-TV progress & plans in Japan is presented by Hisatsugu Nakamura, an executive of Sun Wave Industrial Ltd., in the Aug. issue of Tokyo-published *Radio & TV*. In a detailed article on the "Status of Color TV," Nakamura observes in part:

"Japan's TV manufacturing industry reached 300,000 sets-per-month in April for b&w receivers, and since then production has been curbed to prevent increases in inventory. On the other hand, manufacturers are aiming to hit the 200-to-300 sets-per-month figure for color TVs [in August]. Potential demand for 21-in. & 17-in. color receivers is estimated to be around 5,000 sets. All the large TV-set manufacturers have announced production of color-TV sets, and delivery commenced by some in July [Vol. 16:35 p14].

"The average retail price for a 21-in. color-TV receiver runs around the equivalent of \$1,400. The 17-in. type is approximately 20% lower. [Color TVs are high-priced in Japan because at the present time they're virtually handmade, picture tubes are imported, mass-production techniques have not yet been introduced.] The low labor cost may permit the competitive export of color TV chassis, and several large manufacturers are contemplating entering into the export market with this new item.

"The quality of Japanese-made TV receivers is recognized as being comparable or better than its counterparts made in the U.S. or other foreign countries . . . The bug-a-boos of servicing is creating a great deal of resistance to sales of color TVs in the U.S.

"The completely transistorized TV receiver may be the answer to the color-TV problem. We are bound to see transistorized color TVs as soon as the cost of RF transistors comes down to equal that of vacuum tubes. The reliability & indefinite life of the transistors would be a tremendous advantage to the complex color receiver. Such a development could be realized within a year or two.

"One prominent manufacturer has announced a new video-tape recorder using a single head for scanning the tape. NTSC color signals could be recorded on this machine with slight modifications. One color version of this video-tape recorder is expected to be placed on the market in November."

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Alleged violations of Export Control Act by Visual Electronics Corp. (Vol. 16:36 p13) "were isolated transactions involving 3 minor shipments made to a regular Visual customer in Cuba 2 or 3 years ago and refer to matters of a clerical nature," Visual Pres. James B. Tharpe said last week. His statement was in reference to charges by the Bureau of Foreign Commerce. Said Tharpe: "Foreseeing an expanding overseas market for technical broadcast equipment & services in the '60s, Visual began early in 1958 on a comprehensive program to secure a substantial amount of this business for the U.S. in face of growing competition from foreign sources. Visual now exports a substantial share of the U.S. total in this field."

Electronics sales will increase 76.6% in the next 5 years—from this year's estimated \$10 billion to \$17.6 billion by 1965. That's the prediction made in a recent study by research dir. Harry Greenfield of Electronics Investment Management Corp., San Diego. His breakdown by category: Consumer products, a 23% increase from 1960's \$2.2 billion to \$2.7 billion in 1965. Industrial products, 128% from \$1.8 to \$4.1 billion. Govt. products, 96% from \$5.1 to \$10 billion. Replacement parts, 67% from \$900 million to \$1.5 billion.

**MERGERS & ACQUISITIONS:** Electronics merger news last week was highlighted by the agreement "in principle" reached by Siegler Corp. (Olympic Radio & TV, Hallamore Electronics, David Bogen Co., Presto Recording, other divisions & affiliates) and Jack & Heintz, Cleveland manufacturer of aircraft & missile components and electric control systems. The \$14-million transaction, subject to approval by stockholders of both concerns, would transform J&H into a wholly-owned Siegler subsidiary. Under proposed merger terms, J&H stockholders would have the option of receiving either 11 shares of Siegler common for each 20 of J&H (equal to one share of J&H for each .55 share of Siegler) or exchanging J&H common for a new convertible preferred on a basis to be announced when the merger plan is submitted to shareholders. Other merger news:

Raytheon has acquired for an undisclosed price the assets of Panels Wires Inc., San Francisco.

Lionel Corp.'s proposal to purchase the assets of Anton-Imco Electronics (Vol. 16:29 p18) was approved by the stockholders of both concerns last week. Lionel will pay 1½ shares of common stock (or a total 278,455 shares) for each share of Anton-Imco. Excluded are 40,000 shares of Anton-Imco already held by Lionel.

Itek Corp. and Seeburg once more have broken off their on-again-off-again merger talks. They report in a joint statement that "talks leading to a possible merger of the 2 companies have been definitely discontinued."

Reeves Bctg. & Development Corp. has acquired for \$780,000 the 16,000-acre Boiling Spring Lakes recreational & residential project near Southport, N.C.

Electric & Musical Industries Ltd., which includes Capitol Records among its various TV-radio-phonograph-record-appliance subsidiaries, has acquired Ardente and its subsidiary Ardente Acoustic Labs for 255,320 EMI shares. The acquisition of the privately-held English manufacturer of miniature electronic components & hearing aids was valued at \$1,680,000 by EMI.

English Electric Co. and London-based General Electric Ltd. are exploring merger possibilities. The combined company would employ nearly 160,000 persons, boast assets of over \$500 million. GE Ltd. is not related to U.S. GE.

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New transistor radios: (1) Zenith introduced the Royal 475, described as a "traveling table radio" & "the finest all-transistor set ever produced in a personal size." Slightly smaller than a paper-back book, it's powered by 6 penlight cells and is designed for high sensitivity. It lists at \$49.95. (2) Magnavox has announced 6 new radios, including a 6-transistor cordless table radio at \$39.95, transistorized pocket broadcast-band radios at \$24.95, \$29.95 & \$34.95, a \$59.95 pocket broadcast-shortwave radio.

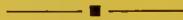
"Tube radios will replace transistor radios as the leading export." That's the novel prediction of Tokyo's *Radio & TV* magazine. Its reasoning: (1) Transistor radio export quotas limit growth in that field. (2) Regular FM broadcasting, now just beginning in Japan, is providing impetus for manufacturers to enter mass-production of FM sets. (3) Tube radios "are comparatively cheaper than transistors." (4) "Ultra-miniature tube radios have now been perfected."

Hoffman Electronics plans to close the cabinet dept. of its consumer products div., in a move motivated by economics. The company will buy its cabinets in the future.

**Trade Personals:** Bodie L. Stahlschmidt, ex-sales mgr. for freezers & room air conditioners, named gen. sales mgr., Admiral Sales Corp. . . . Benjamin Abrams, Emerson pres., will be one of 10 honored as founders of the N.Y. Israel Bond Campaign at a dinner Oct. 3 at N.Y.'s Pierre Hotel . . . Oliver Read, ex-publisher of Ziff-Davis' *Electronics World*, *Popular Electronics* and *Hi-Fi & Stereo Review*, becomes dir. of publications, National Radio Institute, Washington.

Harry M. Rich, ex-pres. of Fonovox Corp. and vp of Grundig-Majestic, named mgr. of Westrex Corp.'s new import dept.; Anthony Easton, ex-communications equipment gen. mgr. named dir. of international sales . . . Marion E. Pettegrew, Sylvania senior vp, appointed chmn. of EIA's Walsh-Healey Policy Committee . . . Herman Epstein, ex-Tele-Dynamics, becomes pres. of Omnitronics Inc., new Philadelphia-based electronics subsidiary of Borg-Warner Corp. . . . Harry P. Hancock Jr. named industrial relations mgr., Raytheon's Quincy (Mass.) receiving tube plant . . . Robert D. Lilley named Western Electric personnel & PR vp, succeeding Arthur P. Clow, now vp-gen. mgr., Chesapeake & Potomac Telephone Co.

Dr. Robert W. Hull named to new post of vp for reliability, General Instrument semiconductor division . . . Admiral Neil K. Dietrich (USN ret.), ex-economic research dir., Charleston (S.C.) development board, appointed Hazeltine vp . . . W. G. Gordon, ex-IBM, named to new post of gen. sales mgr. & asst. div. mgr., Dage TV . . . Leo T. Bowles named product planning mgr., GE's receiving tube dept. mktg. section, succeeding Arthur F. Dickerson, appointed product planning mgr. of GE components div.'s advanced product planning operation.



No quotas on "toy" radios—sets with fewer than 3 transistors—will be set now by Japan's Ministry of International Trade & Industry, which has resumed export licensing of the sets after an inquiry into the advisability of restrictions. Interestingly, in rejecting quota proposals, the Japanese govt. rejected a recommendation by its own embassy in Washington.

## Obituary

Julian King Sprague, 57, pres., Sprague Electric Co., died Sept. 26 of a heart attack at his ranch in Presidio, Tex. A long-time leader in the electronics industry & civic affairs, he held important consultant positions to the War Production Board (1943-45), Research & Development Board (1951-54), and was chairman of the Defense Dept.'s advisory group on electronic parts. In 1953, he became president of the firm founded by his father, Frank J. Sprague, a pioneer electrical inventor known as the "father of electrical transportation." Sprague Electric Co., one of the nation's largest electronic component firms, is chaired by Julian Sprague's brother, Robert C. Sprague, who preceded him in the post of president. In addition to his brother, he leaves his wife, a daughter, a son and mother.

Charles B. Swope Sr., 45, senior counsel in RCA's industrial electronic products div., was killed Sept. 24 in an unsuccessful effort to rescue his 12-year-old son Charles B. Jr. from their blazing home near Phoenixville, Pa. He is survived by his wife, daughter and a younger son.

Arthur T. Brown, 72, who retired in 1953 as asst. to the pres. of International GE, died Sept. 17 in Fort Lauderdale, Fla. after a long illness. He is survived by his wife and a daughter.

Satire on planned obsolescence in stereo is presented in an attention-getting Capitol Records ad, featured in trade publications last week. The editorial ad, whose message is geared to the fact that Capitol phonos don't have yearly styling changes, is captioned "Suddenly! All Your Stereo is Obsolete!" Illustration shows flying-saucer-like phono, with such features as motorized dust brush, headlight for music to read by, double needle to play both sides of records simultaneously, cigar lighter, extra long spindle to play 127 records, tailfin with red light which goes on when 86th record is played, outlet for electric shaver, soft-drink dispenser. There's even one futuristic gadget labeled "doesn't do anything, but it looks pretty."

Automatic Radio Mfg. posted a profit of \$1,272,558 (69¢ a share) on \$11,339,154 sales in the 9 months to June 30, according to a report filed with SEC (Vol. 16:38 p19). The Boston concern produces auto & portable radios, auto air-conditioners, antennas, other electronic products. Its capital structure includes 3 million authorized common shares, 2,010,015 outstanding. More than 67% of the stock (1,350,490 shares) is owned by the Housman family—Pres-treas. David, exec. vp E. L., asst. treas. C. J. In its preceding fiscal year ended Sept. 30, 1959, Automatic Radio earned \$1,849,561 (99¢) on \$13,871,695 sales.

Kahn single sideband AM system shouldn't be authorized by FCC until the industry has had a chance to test it, EIA's radio receiver committee told the Commission last week. FCC had solicited industry comments in a rule-making proceeding (Vol. 16:25 p11). The Committee, headed by Zenith's Karl E. Hassell, said the system "has not been disclosed in sufficient detail to permit other organizations to make an independent engineering appraisal of it." Concern was expressed about the possibility of interference to conventional broadcasts, tuning difficulties, etc.

EIA opposition to Labor Dept. proposal to set minimum wages for electron tube & semiconductor industries on a national instead of regional basis was filed with Labor Secy. James P. Mitchell last week (Vol. 16:34 p16). The EIA brief urged that wages be based on minimums prevailing in 4 regions (New England, Middle Atlantic, Central, Western), challenged the basis upon which the Department proposes a \$1.42 hourly minimum for tube makers, \$1.35 for semiconductor producers.

Two-year schedule of wage & benefit improvements has been adopted for Sylvania non-union employes and is being offered to unions representing the company's other hourly workers. It provides for raises of 5¢ to 10¢ an hour, effective Aug. 29, 1960, and establishment of non-contributory pension plan and voluntary contributory savings & security plan Sept. 1, 1961. Under the formula, Sylvania will eliminate its cost-of-living escalator increase plan Nov. 1, 1960.

Electronic components shipments by U.S. manufacturers achieved an all-time high during first quarter 1960, according to BDSA electronics div. The output was 8% higher than the preceding 6-month period and 20% more than during first-half 1959. There was a sharp increase in quartz crystals, transformers & transistors, while TV picture tubes, power & special-purpose tubes declined slightly.

Color-TV promotion at Macy's N.Y. area stores features continuous color film showings on RCA sets at main stores, and RCA sets priced at \$495.95 & up, including installation and 90-day parts, labor, pickup & delivery warranty.

## Finance

**Hallicrafters Goes Public:** Hallicrafters stock becomes publicly owned again with the offering of 300,000 shares at \$17.50 per share by a group headed by Paine, Webber, Jackson & Curtis. Actually the current Hallicrafters Co. is successor to the original Hallicrafters Inc. which was purchased in 1956 by Penn-Texas Corp., and then purchased a year later from Penn-Texas by Pres.-Chmn. William J. Halligan & family. Of the 300,000 shares now being offered, the company is selling 100,000, Halligan & family 200,000, after which members of the Halligan family will own 781,000 or 70.6% of the outstanding shares.

Out of the home TV-radio business since 1958, Hallicrafters' output now is 47.4% military, 16.9% commercial communications equipment and 35.7% electronic organs (it makes the Lowrey Electronic Organ for Chicago Musical Instrument Co.). In its industrial business, it manufactures citizens band transmitter-receivers and 2-way marine radio equipment for RCA. Its well-known line of amateur radio equipment soon will be joined by transmitter & receiver kits for the "do-it-yourself" market in the below-\$100 range.

The stock-offering prospectus reports Hallicrafters' total assets as \$11,192,147, current assets as \$9,523,634, current liabilities \$4,519,130. It has 2,175 employees. For the 9 months ended May 30, 1960, its sales are given as \$21,872,000, profit \$650,000 after taxes (65¢ on each of 1,004,900 shares) compared with \$17,655,000 sales and \$431,000 net (43¢ a share) for the same 1959 period.

**American Electronics**, Los Angeles maker of electronic components, magnetic tape recorders, other products, forecasts total 1960 sales of \$29-30 million (vs. \$25 million in 1959), profits from operations of about \$800,000 (\$609,599), and per-share earnings of 68¢ (70¢). Chmn.-Pres. Philip W. Zonne said the 9 months to Sept. 30 produced earnings of some \$482,000 (about 41¢ a share on 1,117,708 shares now outstanding) vs. \$353,084 (40¢ on 874,272 shares) in the year-ago period. American Electronics expects to liquidate its data-processing equipment business, Zonne noted, adding: "We have an active prospect for selling it and we expect to dispose of it before the end of the year. After this sale we will have pretty much cleaned up the company." Operating with a "clean slate" in 1961, the company should push sales to more than \$35 million and show profits in excess of \$1.4 million, he said.

**Magnavox** profits in the 3rd quarter will be 35-40% ahead of the same 1959 period on a 15-20% sales increase, according to Pres. Frank Freimann. He noted an increase in sales of higher-priced TV & hi-fi models, particularly the \$595 Stereo Theater unit. Many defense orders are now out of the research-&-development stage and in the delivery stage, he added. The company's defense-order backlog is about \$100 million vs. \$46 million a year ago. Magnavox full-year profits & sales are expected to set a new record.

**Wilcox-Gay**, parent of Majestic International (Grundig-Majestic and other imports), has effected a "reverse" split in its common stock by issuing one share of a new \$4-par common for each 4 shares of the previous \$1-par stock. Under the recapitalization, already approved by stockholders, Wilcox-Gay will have an authorized capital structure of 562,500 shares of the new \$4-par stock and 400,000 shares of no-par-value common stock.

**AB-PT Sees Record Year:** Third-quarter earnings of AB-PT will be about 40% ahead of the same 1959 period and sales & earnings for the full year should set new records, Pres. Leonard H. Goldenson told the Boston Society of Security Analysts last week.

"Television has been primarily responsible for the improvement shown this year and this will continue to be the case in its continued growth over the years ahead," he said. If the economy continues to move upward and ABC's growth trends remain the same, he predicted that the ABC-TV network could more than double its 1959 gross time billings of \$126 million within 5 years. Other points made by Goldenson:

ABC-TV's 28% improvement in gross time billings for the first 7 months of this year should be maintained for the balance of the year.

Direct international TV via space satellite should be possible within 5-to-10 years. AB-PT plans to make additional investments in TV stations & networks abroad.

AB-PT directors might consider an extra stock dividend at their November meeting, Goldenson said in response to a question.

**Market news:** Trav-Ler Radio is offering for public sale \$2.2 million of 15-year 6½% sinking fund debentures, through underwriters Lee Higginson Corp. and Straus, Blosser and McDowell. Each \$1,000 debenture entitles the holder to purchase 50 shares of common at \$7.50 a share for 5 years, at \$9.50 per for the next 5 years and at \$11.50 per for the final 5 years • Cetron Electronic, Chicago maker of electron tubes, is offering 260,000 shares of common stock at \$6.75 a share through Leason & Co. Cetron plans to extend its activities into the fields of optic & electronic systems • Milgo Electronic, Miami manufacturer of electronic components & devices, is offering holders of common rights to subscribe for 65,000 additional shares of common on a 1-for-6 basis, at \$16 a share. The underwriting group is headed by Shearson, Hammill & Co.

Hoffman's 3rd-quarter profits will be lower, on higher sales, than in the same 1959 period, vp-treas. Carroll E. Underwood predicted last week. Earnings will total about \$300,000 (19¢ on 1,524,222 shares) on sales of \$15 million, compared with \$453,661 (30¢ on 1,506,322 shares) in 3rd quarter 1959, he said. He pointed out that the company's earnings have increased each quarter this year, and predicted that the 4th quarter will be better than the 3rd. In forecasting 3rd-quarter earnings, Underwood shaved his previous prediction of \$64 million sales this year to between \$58 & \$60 million.

Metropolitan Telecommunications Corp., Ames Court, Plainview, N.Y. (transformers, filters, relays, capacitors, etc.) has filed with SEC (File 2-17105) a proposal to offer \$600,000 of convertible subordinated debentures & 25,000 shares of outstanding common stock, through M. L. Lee & Co. and Milton D. Blauner & Co.

**Reports & comments available:** Trav-Ler Radio, prospectus, Lee Higginson Corp., 20 Broad St., N.Y. 5 • Electrical & Musical Industries, analysis, Abraham & Co., 120 Broadway, N.Y. 5 • Medical Electronics, discussion, McDonnell & Co., 120 Broadway, N.Y. 5 • Cetron Electronic, prospectus, Leason & Co., 39 S. LaSalle St., Chicago 3 • Milgo Electronic, prospectus, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Rollins Bestg., profile in Sept. 28 *Financial World* • Four Star Television, prospectus, Dempsey-Tegeler & Co., 72 Wall St., N.Y. 5.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avnet Electronics	1960—year to June 30	\$ 9,271,181	\$ 2,026,361	\$ 1,014,051	\$0.67	1,513,300
	1959—year to June 30	6,372,595	1,530,927	767,620	.55 <sup>1</sup>	1,400,000 <sup>1</sup>
Electronic Research Associates	1960—year to May 31	2,291,228	331,101	141,101	.42	336,595
	1959—year to May 31	1,730,078	304,674	159,390	.48	335,388
Federal Pacific Electric	1960—year to June 30	100,194,175 <sup>5</sup>	—	2,767,815	1.72 <sup>3</sup>	1,454,558
	1959—year to June 30	62,724,709	—	2,307,494	1.61 <sup>3</sup>	1,365,877
General Tire & Rubber	1960—9 mo. to Aug. 31	535,428,022 <sup>2</sup>	29,472,431	16,272,431	2.90 <sup>3</sup>	5,326,529
	1959—9 mo. to Aug. 31	483,644,239	38,320,567	20,320,567	3.79 <sup>3</sup>	5,131,248
Hycon Mfg.	1960—6 mo. to July 31	3,764,527	—	130,481	.03	—
	1959—6 mo. to July 31	3,211,143	—	305,195 <sup>6</sup>	.09	—
Narda Microwave	1960—year to June 30	2,276,870	—	63,811	.11	600,000
	1959—year to June 30	1,543,717	—	56,716	.10	600,000
Polarad Electronics	1960—year to June 30 <sup>7</sup>	15,000,000	—	732,000	.57	1,311,092 <sup>8</sup>
	1959—year to June 30	11,900,206	—	475,186	.94	501,396
Thompson-Starrett <sup>4</sup>	1960—6 mo. to June 30	5,212,535	—	(246,373)	—	2,650,266
	1959—6 mo. to June 30	4,821,242	—	( 14,442)	—	2,559,234

Notes: <sup>1</sup> Adjusted to reflect May-1960 2-for-1 split. <sup>2</sup> No breakdown on broadcast revenue was supplied. <sup>3</sup> After preferred dividends. <sup>4</sup> Including Delmonico International div. <sup>5</sup> Includes operations of Cornell-Dubilier for 12 months to June 30, 1960. <sup>6</sup> Includes \$200,000 gain on sale of Hermes Electronics preferred stock. <sup>7</sup> Approximate. <sup>8</sup> Reflects 2-for-1 split.

**Cost of a 30-min. Film:** Budget-minded executives will be interested in the breakdown of the \$50,520 cost of an average 30-min. film show (one of 26) as presented by editors Nicholas Archer & John Barnwell in the latest *Telefilm* magazine (7071 Hollywood Blvd., Hollywood 28, Cal.). The article supplies the details for each of the following items:

Script & rights .....	\$3,500
Producer & staff .....	2,500
Director .....	1,250
Cast .....	11,000
Music .....	500
Miscellaneous above-line .....	3,500
<b>Total above-the-line .....</b>	<b>\$22,250</b>
Productions staff .....	1,400
Camera .....	1,200
Sound recording .....	1,165
Set construction .....	1,500
Set design .....	600
Film & lab .....	3,200
Film editing .....	2,200
Special effects .....	300
Process & stock shots .....	150
Projection .....	100
Grip & standby .....	1,020
Electrical .....	1,600
Wardrobe .....	720
Makeup & hair dressing .....	415
Props .....	750
Set dressing & drapery .....	1,200
Scoring & dubbing .....	1,100
Location expenses .....	1,200
Transportation .....	700
Insurance .....	250
Payroll taxes .....	1,200
Stage space rentals & studio charges .....	2,200
Pre- & post-production amortization .....	300
General overhead .....	400
Production fee .....	3,000
Miscellaneous .....	400
<b>Total below-the-line .....</b>	<b>\$28,270</b>
<b>Grand total .....</b>	<b>\$50,520</b>

Ampex sales & profit forecasts for the year ending April 30 may have to be revised downward—but even so, the final results will be higher than last year. So said Ampex Pres. George I. Long last week in a talk to the Financial Analysts of Philadelphia. Last August, Long estimated fiscal 1961 sales at \$75-80 million, up from \$68 million in fiscal 1960, with profit margins “comparing favorably” with those for fiscal 1960.

New listings on American Stock Exchange: Electronic Research Associates Class A stock (symbol ERA A), Hycon Mfg. Co. (HY), Western Nuclear Inc. (WNU). Ling-Temco stock is due to be listed soon on the N.Y. Stock Exchange.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Sept. 29, 1960

Electronics    TV-Radios-Appliances    Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	22	25 1/2	Maxson (W. L.)	8 5/8	9 5/8
Aerovox	8 3/4	9 3/4	Meredith Pub.	39	42 1/2
Allied Radio	20 1/2	22	Metropolitan Bestg.	16 1/4	17 3/4
Astron Corp.	2	2 1/2	Milgo Electronics	18	20 2/8
Baird Atomic	26 3/4	28 1/2	MPO Videotronics	7	7 3/4
British Industries	16 1/4	18 1/2	Narda Microwave	5	5 5/8
CGS Labs	8 1/2	10 1/2	National Co.	27	29 1/2
Control Data Corp.	38 3/4	41 1/2	Nuclear of Chicago	28 3/4	30 7/8
Cook Elec.	14	15 1/2	Official Films	6	7 1/2
Craig Systems	15	16 1/4	Pacific Automation	6	6 1/2
Dictaphone	38	41 1/2	Pacific Mercury	6 1/2	7 1/2
Digitronics	20 1/2	22 1/2	Perkin-Elmer	36 3/4	39 1/2
Eastern Ind.	12 1/4	13 1/2	Philips Lamp	160	165 1/2
Eitel-McCullough	20 1/2	22	Pyramid Electric	3	3 3/8
Elco Corp.	14 1/2	16 1/4	Radiation Inc.	17 1/4	19 1/2
Electro Instruments	25 1/2	28 1/2	Howard W. Sams	40	43 3/8
Electro Voice	10 3/4	12	Sanders Associates	24 1/2	26 1/2
Electronic Associates	26	28 1/2	Silicon Transistor	5	5 5/8
Erie Resistor	7 5/8	8 3/8	Soroban Engineering	20 3/4	22 1/2
Executive	26	29 1/2	Soundscriber	11	12 1/2
Farrington Mfg.	32 1/2	35 1/2	Speer Carbon	21	23
Fischer & Porter	17 1/4	19 1/2	Sprague Electric	47	50 5/8
FXR	41	45 1/2	Taft Bestg.	12 1/2	14 1/2
General Devices	11 1/4	12 1/2	Taylor Instrument	30 1/2	32 1/2
G-L Electronics	8 1/4	9 1/2	Technology Inst.	9 1/4	10 1/2
Granco Products	3 1/2	4 1/4	Tele-Broadcasters	1/2	1-1/16
Haydu	3	5/16	Telechrome	10	11 1/4
Hewlett-Packard	23 1/4	24 1/2	Telecomputing	7 5/8	8 3/8
High Voltage Eng.	125	139	Telemeter	11 1/4	12 1/2
Infrared Industries	16 1/4	18 3/8	Time Inc.	63 1/2	67
Internat. Rectifier	20	21 1/2	Tracerlab	8 1/2	9 3/8
Interstate Engineering	23 1/4	24 7/8	United Artists	7	7 3/4
Itek	47	51 1/2	United Control	19 1/2	22
Jerrold	7 3/8	8 3/8	Universal Trans.	1 1/2	2
Lab for Electronics	38	40 1/2	Vitro	11 5/8	12 1/2
Lel Inc.	4 1/2	5 1/2	Vocaline	27 1/2	3-5/16
LFE Inc.	11 1/4	—	WJR Goodwill Station	9	—
Magna Theater	2 1/2	3-7/16	Wells-Gardner	14 1/2	16
Magnetics Inc.	7 1/2	8 3/8	Magnetics Inc.	—	—

# WEEKLY Television Digest

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OCTOBER 10, 1960

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

## SUMMARY-INDEX OF WEEK'S NEWS

**WITH THIS ISSUE:** January-September 1960 Index to Television Digest

### FCC

**ALLOCATIONS—"HAVES" vs. "HAVE-NOTS."** 3,000 pages from 150 parties argue issue of vhf drop-ins (p. 1).

**MIAMI "FIX" RETRIAL STARTS** with ex-FCC Comr. Richard A. Mack in hospital and Ch. 10 conspiracy co-defendant Thurman A. Whiteside in court alone (p. 5).

**FCC VIEWS ON "CENSORSHIP"** elaborated in short-license decision. Wouldn't "jeopardize" freedom of speech guarantees (p. 6).

### Stations

**ROAD CLEAR FOR COLLINS** as NAB pres., with Board expected to approve him and \$75,000 salary. No dissents in sight, though some say they should have been informed earlier (p. 2).

### Advertising

**ANA-4A WATCHDOG COMMITTEE** is formed. Representation from both ad groups will deal with offensive ads through self-regulation. It's first such joint effort by these associations (p. 2).

**NAB WIDENS LIQUOR BAN** on TV, review board stretching Code to cover non-alcoholic cocktail mixes. WNTA-TV N. Y. picks up challenged Holland House spots (p. 7).

### Technology

**FM STEREO REPORT** due for completion this week by NSRC field-test panel. No recommendations to be made but all systems will be directly compared in comprehensive document (p. 3).

### Film & Tape

**HOLLYWOOD: "WHO? ME?"** Makers of TV film are not impressed by their product this season—place responsibility elsewhere (p. 3).

**ALLOCATIONS—"HAVES" VS. "HAVE-NOTS":** We've leafed through many of the 3,000 or more pages filed by some 150 parties in FCC's "interim" allocation plan proceeding and found they're much the same as major filings we summarized earlier (Vol. 16:40 p2).

Well-situated vhfs want things left alone—building their arguments on prospective loss of fringe service to public. Uhfs or prospective vhf applicants heartily endorse vhf drop-ins via mileage cuts—citing need for more competition in larger cities & local service in smaller communities.

But the "haves," recognizing they may have to give some ground, strive vigorously to contain the "invaders." They argue for "specificity" and a single-package proceeding which would allow just so many drop-ins—and then slam door shut. Some also make it clear they'll try every legal device in the books to delay implementation of drop-ins. Even ETV vhf "haves" oppose service-area cuts; however, they say, if there are going to be drop-ins, they want them.

Those urging drop-ins frequently included elaborate documentation to show need in their cities for more stations. They insist that added competition & full availability of 3rd network service outweigh any possible loss to fringe service of existing vhfs.

### Consumer Electronics

**RETAIL TV SALES** down 13% from 1959 in August—first month this year to show decrease. Eight-month retail sales still far ahead of last year (pp. 14 & 16).

**FLAT-SCREEN TV** brought closer by new Sylvania developments in larger & brighter electro-luminescent panels, but engineers see 10 more years needed (p. 14).

**GE's COMPACTRON TUBES** adopted by 13 consumer-electronics equipment manufacturers; CBS Electronics & Tung-Sol also will produce them (p. 15).

**JAPANESE TV SET** draws "good" response in N.Y. sales debut. Delmonico plans complete 23-in. line next year (p. 15).

**TV RENTAL BUSINESS GOOD, NARDA** finds in survey indicating more than half of TV dealers also rent sets, make money (p. 16).

**COMPONENT SALES** continued at record high in first-quarter 1960, Commerce Dept. reports on basis of industry survey (p. 16).

**ELECTRONICS 'BUG' BBB:** Consumer electronic products accounted for 1 of 10 complaints, BBB Pres. K. B. Willson tells EIA (p. 17).

### Programming

**GREAT DEBATE ROLLS ON.** Political parties concern with "image" created by their candidates again points up enormous impact of the medium (p. 4).

### Finance

**SKIATRON STOCK SALES BARRED** to Pres. Arthur Levey & pay-TV licensee Matty Fox by SEC ruling banning public deals (p. 18).

### Other Departments

**NETWORKS** (p. 12). **CONGRESS** (p. 13). **PERSONALS** (p. 13).

Almost everyone objects to proposed adjacent-channel cut from 60 to 40 miles and to 20-db directionals. RCA filed report on feasibility of DAs.

Motorola opposed FCC's plan with argument that non-broadcast services need vhf more than TV does. Apparently, it looks toward ultimate shift of TV to uhf—or to sharing vhf channels with non-broadcast users.

Mass of material is so huge that FCC granted industry requests for more time to prepare reply comments, extending deadline 45 days beyond previously-set Oct. 14. It also gave same extension for reply deadline in Grand Rapids & Providence drop-in rule-making proceedings.

**ROAD CLEAR FOR COLLINS AS NAB PRES.:** Gov. LeRoy Collins' selection as next NAB president appears all over but the shouting—though there may be a little mild shouting, not much, as NAB Board meets at 11 this Monday morning (Oct. 10) to vote.

We've discovered no real opposition to Collins, per se, but there is some grumbling among Board members who wish they'd been consulted by selection committee. "Our only concern," said one, "is that we really don't know much about him in terms of our industry." No one expects the appointment to be delayed, however, and no dissenting votes are anticipated. Contract is same as the one late Pres. Harold Fellows had—\$75,000 plus about \$12,500 expenses. It runs 3 years.

In Tallahassee at his news conference last week, Collins for first time virtually confirmed pendency of NAB position by saying that if he becomes NAB president he'll immediately stop campaigning for Kennedy & Johnson, and resign as chmn. of Democrats' Speakers Bureau. He can assume NAB duties when term as Fla. Governor expires Jan. 3.

Collins was picked over other finalist, U.S. Information Agency Dir. George V. Allen, not only because committee was tremendously impressed by Collins but because it wasn't considered wise to attempt to woo Allen from his foreign affairs duties at this time. Committee members wouldn't say that they considered either the better qualified man.

After our early report first revealed to industry that Collins was leading candidate for job (Vol. 16:31 pl), nothing but kudos has been received by selection committee, according to Chmn. C. Howard Lane, KOIN-TV Portland, Ore. "I haven't heard a word of dissent," he told us. And, he added, "I'm bushed."

**ADVERTISING'S SELF-POLICING MACHINERY:** Biggest U.S. agencies & advertisers have joined forces in new, stiffer program to police "manifestly misleading" or "bad taste" advertising.

Unity-of-action link is through new 20-man group, Committee for Improvement of Advertising, with equal representation by Assn. of National Advertisers and American Assn. of Advertising Agencies. Each organization has been individually active in post-quiz-scandal cleanup of ad practices (Vol. 15:46 p5; 16:3 p8), but this is first joint program.

Influence of new Committee will be sizable, by all indications. ANA and 4A are 2 of strongest ad-industry associations. Although no drastic punishment for an offending ANA or 4A member is possible under groups' present rules, Committee will "coax, coax, coax—and then slug," said ANA Chmn. Donald S. Frost.

There's no conflict with govt. or business regulatory forces, such as FTC or Better Business Bureau. Committee won't, for instance, set up lab to validate product ad claims and it won't screen ads in pre-release stage. Focus will be on advertising that other admen consider to be "harmful to advertising as a whole."

Here's how machinery will work: When complaint is filed, each of 20 Committee members will receive voting form & copy of objectionable ad. For a TV commercial, they'll get a "photoscript"—audio transcript plus off-the-air still photos. Each ANA-4A member votes independently; votes are tallied; offending advertiser & his agency are notified simultaneously. If offenders continue, they'll be asked to resign—a threat more important in terms of industry prestige than it might sound. Committee members won't vote on complaints involving competitors, and findings & decisions won't be made public.

Essentially, Committee function represents new dimension for existing Interchange of Opinion, a 4A program in effect since 1946. Under new setup, Interchange will be operated jointly by 4A and ANA. Heading Committee are co-chmn. E. G. Gerbic (Heublein Inc. ad vp) and Robert E. Allen (Fuller & Smith & Ross pres.). Represented on Committee are such advertising blue-chips as Reynolds Metals, RCA, Dole, Ford Motor, Lever Bros., J. Walter Thompson, BBDO, Benton & Bowles.

**STEREO COMMITTEE COMPLETING REPORT:** Ahead of schedule, analysis of FM stereo radio field tests is due to be completed this week by field test panel of EIA's intra-industry National Stereophonic Radio Committee. This is next to last major step before inauguration of new stereo radio service. Final step, of course, is FCC's establishment of standards—choosing from among the 6 stereo systems tested & evaluated by NSRC, or, conceivably, a "dark horse" or "hybrid" system not considered by NSRC.

FCC's work should be considerably speeded by thorough NSRC field-test report, compiled under chairmanship of NAB engineering dept. mgr. A. Prose Walker. Report will be 5-to-6 inches thick, accompanied by series of test tapes, recorded at field test receiving site at Uniontown, Pa. from Pittsburgh's KDKA-FM, which served as test station. Although FCC's deadline for the field-test report & other FM stereo comments is Oct. 28, NSRC could beat this date—if no hitch develops at this week's meeting and if mechanical work (mimeographing of report, etc.) proceeds with dispatch.

Report itself will express no opinions—it's strictly a comparative engineering evaluation—but if any one system shows up as outstanding this will be obvious to engineers reading the data. Parameters of all systems will be compared directly in the various curves showing measurements at different field strengths. All companies sponsoring systems have worked with field testers and are expected to sign & vouch for report, so there's no argument as to impartiality or authority of the data.

Analyses will be objective rather than subjective—although if FCC staffers or Commissioners wish to hear results of different systems they can do so by listening to test tapes. Panel members, however, didn't evaluate tapes by personal preference, haven't even listened to them since they were recorded in wee small hours during last summer's Uniontown tests.

Panel's work has been conducted in completely scientific atmosphere. Chmn. Walker & panel members stress that no system has been (or will be) recommended or ruled out. They add that previous reports that one system failed to provide satisfactory stereo were not the opinion of the panel, which will allow engineering measurements & test tapes to speak for themselves.

Commission still hopes to proceed as swiftly as possible on establishing final standards. No hearings are planned and staffers hope to get to work on evaluation of all material right after Oct. 28 deadline, in hope that final decision can come out before year's end.

**HOLLYWOOD: 'WHO? ME?'** Most film-capital production executives take a dim view of the new TV season—at least so far as Hollywood product is concerned. Reaction ranges from occasional "wait until you see our good show coming up" to more frequent opinions that this is an uninspired, imitative and unimaginative season. The opinion coincides with that of TV-radio vp Arthur E. Duram of Fuller & Smith & Ross, who last week (Vol. 16:40 p4) took his fellow admen to task for TV's formula programming.

The gloomy view of programming is far more prevalent than the optimistic. Considering that many of these same executives are responsible for the film seen on TV, we asked one producer about this seeming paradox. Replied he: "When an agency or network says it wants a comedy or Western series you don't argue or turn down an order—you supply what they want."

"Very bad" was how one top executive of diversified & high-echelon background described the 1960-61 film season. He had not a good word to say for it, even though his product is included. Another termed bulk of programming "mediocre." Still another said most agency & network representatives currently in Hollywood from N.Y. are interested almost solely in next year's programs. They seem to have written off this season.

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Number of executives blame the networks for what they term a deplorable situation. This, they say, is the season the networks have assumed responsibility for programming, and there has been a damper on anything but the most routine formats. Any faintly new approach is discouraged by network—and sometimes agency—executives, they assert.

Overall, there is a marked air of apathy regarding Hollywood's filmed, or bread-&-butter shows. There is general agreement with the mainly critical reviews, although it's usually on a don't-quote-me basis. Some executives say part of the reason for the low-level quality is the writers' strike which paralyzed production for 5 months earlier this year and brought on panic-buying of scripts. Others say scripts they are now receiving are still mediocre, but are often purchased nevertheless, because better ones can't be found.

## Programming

**GREAT DEBATE ROLLS ON:** With the first of the Nixon-Kennedy debates having made both political & TV-rating history (Vol. 16:40 p3), the TV industry poised itself last week for the second clash—on Friday, Oct. 7—in the 4-program, all-networks series. Developments:

NBC Chmn. Robert W. Sarnoff told the San Francisco Ad Club of a plan for local-level adaptation of the Great Debate technique within legal limits. As soon as possible, NBC's o&o stations will frame debate shows featuring candidates in major local political contests. Urged Sarnoff: The current suspension of Sec. 315 should be made "permanent, and extended to state & local contests." Reviewing the background of the debate telecasts, Sarnoff said that in 1952, when the idea for the debate format was proposed by Mich. Sen. Blair Moody, "NBC became the first network to try to adopt it. We wired both candidates . . . Our offer was declined." (But on Aug. 6, 1952, CBS Inc. Pres. Dr. Frank Stanton had offered a network debate arrangement in a letter to Moody. NBC's wire went Aug. 18.)

The tremendous impact of the TV debates continued to cause the 2 major political parties to curtail plans for paid political telecasts (Vol. 16:39 p8). According to Republican PR director Louis Guyley, the GOP will spend "only about half" of the \$2.5 million put into political TV time in 1956, with 60% of that budget going into 30-min. segments and 40% into 5-min. network segments & announcements. The Democrats have scheduled a pair of 30-min. network shows & a single 60-min. network telecast, with an additional budget for spot announcements. Just what the Democratic TV budget will be hasn't been decided.

The U.S. Information Agency began to do a brisk international trade in kinescopes of the first Nixon-Kennedy debate. So far, kines have been sent to 100 countries, said USIA. Telecasts were scheduled in 48 of the countries; in the remainder, the kines will be shown in theaters. An even larger distribution is expected for the second debate show. In N.Y., WNEW-TV again made plans to run a tape of the debate show the following day, slotting it Oct. 8 in a noon-to-1 p.m. period. CBS Films also made some rapid international deals, shipping the first debate film by air to 9 foreign countries Sept. 27. No profit was made on the sales, CBS Films having agreed in advance to ship debate footage abroad at cost—roughly \$100 per program. The films, sold on a non-exclusive basis to England, Japan, Germany, Sweden, Denmark, Norway, France, Finland, Australia and Canada, were given on-air live translations where necessary. Remaining debates will be handled by CBS Films in the same manner.

Mutual Bestg. System came up with a suggestion for Broadway theater managers, night-club owners and others in N.Y. who might have their box-offices crimped by a general let's-stay-home-and-watch-the-debate movement. Sending wires to N.Y. managers who had reported losses on Sept. 26, MBS recommended: "Suggest you advise general public your public address system inside theater will air candidates' appearance prior to curtain-raising. Broadcast ends at 8:30 p.m. and is readily tunable via WOR, Mutual network N.Y. affiliate. Radio placed before public address microphone can do job for you."

Vital interest of Congress in Kennedy-Nixon debates is indicated by the fact that representative of Senate Commerce Committee, communications counsel Nicholas Zapple, is making a point of observing each encounter at the originating studios, in the company of top network officials.

Several changes, major & minor, were made in the physical production of the second debatecast, as compared with the first. Print-media newsmen made up half the panel (Alvin Spivak, UPI; Hal Levy, Washington correspondent, *Newsday*) with TV-radio newsmen (ABC's Edward P. Morgan; CBS's Paul Niven) the balance. NBC's Frank McGee was moderator. The set was "warmer," using various shades of brown against a straw-matting backdrop. There were no flags, flowers or pictures in view. Unlike the first show, the panel was arranged so that viewers could see their faces, and not just the backs of their heads. Candidates Nixon & Kennedy were questioned alternately by the panel, with each candidate having 2½ mins. to reply (and with 1½ mins. to comment on the reply of the other).

TV reporters on a panel which will question the Presidential candidates in the 3rd "Great Debate" Oct. 13—a split-screen show with Nixon in Los Angeles & Kennedy in N.Y.—will be picked by CBS & NBC. Print media will be represented by Roscoe Drummond, N.Y. *Herald Tribune* syndicated columnist, and *Reporter* magazine's Douglas Cater. Names of Drummond & Cater were drawn from a list of reporters who have covered both candidates.

CBS Inc. Pres. Frank Stanton told reporters in Washington that Vice Presidential candidates Lyndon B. Johnson & Henry Cabot Lodge had rejected network invitations to get into the "Great Debate" act, too. Stanton said neither gave reasons for turning down the TV bids, but that there was speculation each believed he would be handicapped, in any face-to-face confrontation, by specialized backgrounds—Johnson in domestic affairs, Lodge in International affairs. Stanton also said he hoped the Presidential-ticket debates would be repeated in 1964. But he expressed doubts, pointing out that one of the 1960 candidates will be in the White House then. "Will the President in 1964 be willing to repeat on TV?" Stanton asked.

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CBS upstaged NBC's Bob Hope last week as the comedian led off his 60-min. TV show with a barrage of political jokes. The mixup was audio-visual—NBC's Eastern viewers saw Hope, but heard dialogue from rival network CBS's *To Tell the Truth*. Explanation: "Something went wrong with the telephone wires." Program sponsor, General Motors, however, was entitled to a smile or at least a sigh of relief—the sound was corrected precisely as Hope plugged: "I don't care who gets to the White House just as long as he drives there in a Buick."

N.Y. County Grand Jury is readying 2nd-degree perjury charges against 20-25 persons who testified before it about the 1958-59 TV quiz scandals. The charges are expected to be handed down this week to General Sessions Judge Charles Marks. Indications are that the Grand Jury will return informations rather than indictments against the witnesses. Charges in an information involve misdemeanors; indictments, felonies.

**Court Series Back on Air:** Taped recordings of actual proceedings in the Parma, O. traffic court were broadcast again by Westinghouse's radio KYW Cleveland last week, following a ruling by a State Supreme Court committee that the programming didn't violate the American Bar Assn.'s Canon 35.

The *Traffic Court* series, which helped win a 1958 Alfred P. Sloan Award for the station, had been dropped by KYW in May 1959 when the Cleveland Bar Assn.'s Professional Ethics Committee decided it came under Canon 35's ban against microphone-&-camera coverage in courts.

But the Supreme Court's board of commissioners of grievances & discipline ruled this June that Canon 35 doesn't apply to taping of courtroom proceedings for subsequent broadcast.

KYW tapes entire sessions—often lasting 3 hours—of the Parma court presided over by Municipal Judge George P. Allen, then edits them into 30-min. weekly programs (10-10:30 p.m. Tue.). The series has been praised publicly by police officials for its help in highway safety education.

Meanwhile, KGW-TV Portland received the first TV award ever made by the Ore. State Bar Assn. for promotion of public understanding of legal processes. The station was cited for its 60-min. May 1 "World Court in Action" special. Produced in cooperation with the lawyers' organization, with judges & attorneys playing roles, the show dramatized World Court sessions on the Anglo-Iranian oil dispute.

**On TV's Labor Front:** Outwardly, TV labor negotiations seemed to be in a lull last week, but at all 3 networks and in management conferences at most big ad agencies, new AFTRA demands were being vigorously discussed—particularly since they'd been made with SAG sitting in as an "observer" (Vol. 16:40 p9).

Networks were quietly estimating probable costs of the AFTRA-proposed new TV-radio commercials rate structure (a complicated change in the size-of-market "population units" upon which old fees were based). Additional AFTRA-SAG demands will be made this week (Oct. 11), in the fields of tape, film and live commercials. All new AFTRA proposals will almost certainly contribute heavily to increases in program & commercial costs.

On an even broader labor front, there were signs that inter-union cooperation in the talent field might be expanded to include technical unions. Leaders of IATSE, IBEW and NABET met in N.Y. last week with AFTRA, and co-negotiator SAG, to discuss a united labor front. With industry negotiations due for all 5 unions in the coming months, the meeting was aimed at strengthening their bargaining positions.

**Most expensive NBC flop of the new season continues** to be the \$450,000 pilot of *The Barbarians* (Vol. 16:31 p12; 16:32 p4). In an attempt at TV salvage, NBC dropped it as a one-shot into the 10-11 p.m. slot Oct. 4, offered it as a coloecast special. There were no takers, and the show went on the air as a sustainer loaded with promotional spots for other (and more financially fortunate) shows. Potential cost of the unsold airtime—about \$130,000—must now be added to other red ink on the Mahin-Rackin-produced special. Critics were lukewarm toward it ("Punic corn all the way but at least a change from cactus drama"—Jack Gould, *N.Y. Times*). Just so it shouldn't be a total loss, NBC intends to splice in another 30-min. of *Barbarians* footage and release it as a feature film—outside the U.S.

## The FCC

**MIAMI 'FIX' RETRIAL STARTS:** With ex-FCC Comr. Richard A. Mack confined to a Fort Lauderdale hospital and co-defendant Thurman A. Whiteside going it alone, the Justice Dept. set out again last week in U.S. District Court, Washington, to prove that they had plotted to rig the Miami Ch. 10 grant for WPST-TV.

Judge Alexander Holtzoff ordered Miami lawyer Whiteside to stand trial separately from the ailing Mack in the second go-around of the often-delayed conspiracy case (Vol. 16:18 p14). He rejected defense pleas for another postponement. The first trial ended in a hung jury.

At the same time (Oct. 3), Holtzoff ordered Mack's \$1,000 bail to be forfeited. He denied a request by govt. attorney Oliver Dibble for a bench warrent for the missing Mack, but said 2 medical specialists would be assigned to examine Mack, who is reported by his counsel Nicholas J. Chase to be "seriously ill" in a Fort Lauderdale hospital.

Chase submitted a letter to the Court from Dr. E. C. Chamberlain, who said no final diagnosis of Mack's condition had been made, but that the former FCC member may be suffering from cirrhosis of the liver, pernicious anemia, carcinoma of the intestines—or something else. But Holtzoff was unimpressed.

### Shift to Miami is Rejected

Judge Holtzoff turned down arguments by Whiteside's counsel Arthur J. Hilland that the retrial should be shifted from Washington to Miami. Trial proceedings finally got under way Oct. 4 with selection of a jury: 7 men, 5 women.

First days of the second trial, which also promised to last for weeks, were taken up by a repetition of testimony heard in the first run—and by barrages of objections (most of them overruled) by Whiteside's lawyers.

Among the early witnesses was FCC lawyer Charles R. Escola, who testified that Mack participated in the final 1957 decision giving the Miami award to National Airlines' Public Service TV Inc. But Escola said Mack didn't take part in a preliminary decision in favor of winner WPST-TV, whose grant was taken away by FCC on "influence" grounds in July of this year (Vol. 16:29 p1 et seq.).

The govt. introduced photostats of checks totaling \$10,000 (including 8 checks for \$4,100 signed by Whiteside) which allegedly were sent to Mack in connection with the Miami case. FBI accountant Milton Singman testified that from July 7, 1955 to Jan. 31, 1958, Mack received \$13,571.23 from Whiteside in payments which included checks from 2 Whiteside-owned companies. Under defense cross-examination, Singman conceded he hadn't explored earlier financial transactions between the 2 men, who were close friends before Mack joined FCC.

What happens to Ch. 10, meanwhile, is up to the Court of Appeals. In a recent order, the Court said in effect that it would hold everything until FCC acts on all petitions for reconsideration of the basic decision which stated that WPST-TV must vacate the channel. Then, last week, the Commission finally rejected Elzey Roberts' petition for reconsideration, and announced its intention of turning down North Dade Video's similar effort.

L. B. Wilson Inc., which is scheduled to get Ch. 10 under the Commission's basic decision, last week urged the Court to let it take over the channel immediately. The FCC also plumped for a quick take-over, saying that: (1) WPST-TV has a "minimal" chance of ultimate legal victory. (2) Any injury to WPST-TV would be "largely counterbalanced" by the injury to L. B. Wilson. (3) Miami public would benefit by the switch in licensee.

**FCC VIEWS ON 'CENSORSHIP':** The text of FCC's decision to grant licenses for less than 3 years whenever it considers this advisable (Vol. 16:40 p5) was released last week. It contains some significant language on the subject of censorship & the Commission's role. The comments were in answer to objections NAB had filed when the rule was proposed:

"We reject NAB's contention that adoption of the rule under consideration herein would infringe upon the statutory prohibition of censorship. In the first place, a course of violations which might impel the Commission to limit a given renewal to less than 3 years might involve technical operation of the stations, the accuracy & truthfulness of reports to the Commission, or other matters apart from questions of the discharge by licensees of their responsibility to program their stations in the public interest. No question of censorship would be relevant in such cases.

"NAB appears to feel concern, however, with the possibility that the Commission may invoke the rule because of its dissatisfaction with a station's programming practices. Although it should be unnecessary to do so, in view of innumerable Commission utterances on the subject, we again disavow any intention or desire to infringe upon the letter or the spirit of the restraints which are clearly imposed upon the Commission through the statutory prohibition of censorship & by the Constitutional guarantee of free speech. But, as has been explained many times, these propositions do not equate with the position (which in any event has never been seriously advanced) that the Commission can authorize the use of scarce frequencies for the public service of broadcasting with total disregard of the manner in which licensees discharge their responsibility to determine the content, format and scheduling of all matters broadcast over their stations. Statutory law itself lays down certain express requirements and prohibitions in this regard (See Section 315 of the Communications Act requiring equal time for candidates for public office, Section 317 requiring identification of sponsors of broadcast matter and Sections 1304, 1434, and 1464 of Title 18 of the U.S. Code prohibiting the broadcast of lottery information, fraud by radio and the dissemination by radio of obscene, indecent, or profane language, respectively).

"Beyond these statutory prescriptions & proscriptions, it is well established that the Commission has legitimate concern with such matters as performance conforming reasonably with programming proposals, the comparison of program proposals of mutually exclusive applicants for broadcast facility and other cognizance of broadcast programming. It is needless & would be inappropriate to endeavor to restate here in detail the Commission's long-established interpretation of its duty to take cognizance of program proposals and all-over performance by broadcasters in making the requisite determination that the public interest would be served by the issuance of each broadcast license. What is relevant to the arguments raised by NAB is the Commission's equally long-standing policy, which will be continued without change, to refrain from any action which would even remotely jeopardize the protection to the public which is afforded by the statutory prohibition against censorship and the Constitutional guarantee of free speech. In these circumstances, we find no merit in the arguments advanced by NAB against adoption of the proposed rule."

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NAB has been turned down by FCC in its request that AM stations be required to log frequency monitor readings twice daily instead of every  $\frac{1}{2}$  hour.

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**FORD SPURS EDITORIALS:** Warm encouragement of broadcast editorializing was expressed by FCC Chmn. Ford in his speech prepared for the Oct. 6 Radio-TV News Directors Assn. convention in Montreal. He did, however, acknowledge that some operators have been hesitant—in the absence of specific FCC "guidelines"—about what constitutes "fairness." The speech was read by Ford's special asst. James Sheridan because Ford was confined to his home with a virus infection.

"It would seem," Ford said, "that the time has come after 11 years of editorializing for the Commission to call upon the experience of broadcasters for the purpose of establishing specific guidelines in this area, so that the broadcaster who does editorialize will know, insofar as it is possible, precisely what is expected of him."

He gave several examples by which broadcasters insure fair presentations: (1) Labeling editorials as such, before & after presentation. (2) Sending copies to people known to have opposing views. (3) Maintaining files of all editorials. (4) Avoiding editorials on subjects involving personal or financial interests of the station owner.

"These examples," he continued, "are some of the things which broadcasters have found helpful in complying with the fairness doctrine. If they & perhaps other requirements were clearly spelled out, more broadcasters might be encouraged to air their editorial opinions. This is becoming increasingly important because of the decline in the number of competing daily newspapers in many cities of the U.S."

"It seems to me, however, that there may be an even more important benefit to the public which can flow from licensee editorialization. Any broadcaster who is constantly studying the issues confronting his community, and conscientiously attempting to stimulate the public by offering his own views through broadcast editorials, will almost have to engage in that type of activity referred to in the Commission's Report on Programming [Vol. 16:31 special supplement]—namely, assiduous planning & consultation with both the public & leaders in community life in order to discover & fulfill [his area's] tastes, needs and desires."

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Most radio stations editorialize, NAB research mgr. Richard M. Allerton reported following a survey (Vol. 16:38 p11) which showed that the practice "is on the increase." He said 61.8% of stations responding to NAB's questionnaire do broadcast opinions on public issues, although only about half of them do so regularly. Other findings in the radio survey: (1) The editorial function generally is assigned to top management. (2) Opposing viewpoints are actively sought by 80% of the editorializing stations. (3) Editorializing is regarded by station managements as a "plus" programming feature.

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FCC's role in programming, payola, rules violations, etc., is discussed by Chmn. Ford in the Oct. 8 *TV Guide*. He includes his "personal views" on the subject of "violence," reiterating the concern he expressed at the last NAB convention (Vol. 16:15 p6). "It seemed to me," he writes, "that public comment & complaints about excessive violence on the TV screen had reached such proportions that I felt compelled to bring this matter to their attention. . . . It was very heartening, therefore, to learn recently that the TV Code Review Board reported a general expansion of its activities in order to deal more effectively with this problem 'at the source.'"

## Advertising

**NAB WIDENS ITS LIQUOR BAN:** Members of NAB's Code Board huddled in Washington last week on a newly-sticky subject of whisky sours. They voted to broaden the industry's self-regulatory ban on hard-liquor advertising to include non-alcoholic mixes for cocktails—and crossed their fingers.

Confronted with a challenge to the Code posed by Holland House TV spots for a whisky-sour mix (Vol. 16:40 p10), the Review Board wrote a new interpretation of the Code rule which for long has said: "The advertising of hard liquor should not be accepted."

Clarifying language added by the Board to the anti-liquor section of the Code reads: "This restraint applies also to the advertising of products and/or services in themselves not hard liquors, but which in their presentation induce the use of hard liquor."

Immediate target of the broadened ban was the Holland House commercials, rejected by Code subscriber WPIX N.Y., but accepted by non-subscribing WNTA-TV N.Y. The commercials show actual mixing of a whisky sour with the prepared mix.

There was no indication last week that use of such spots was spreading beyond WNTA-TV, but the Board regarded the threat to the Code as so serious that most of the day-long Oct. 4 session in Washington was taken up with the new Topic A on the agenda.

Following the closed Board meeting, Chmn. E. K. Hartenbower (KCMO-TV Kansas City) had nothing to say publicly about WNTA-TV. But he said WPIX (which dropped the spots after scheduling them for Sept. 25) demonstrated "a highly commendable sense of responsibility to broadcasting & a keen awareness of the traditional patterns of good broadcasting in rejecting the cocktail mix commercials offered by a leading advertising agency."

Hartenbower cited WPIX's conduct in the Holland House controversy as "another example of how Code subscribers such as WPIX, working through the Code Review Board procedures, can help the industry solve its own problems and thus head off restrictive govt. regulation which always threatens any licensed industry."

The Holland House agency, Erwin Wasey, Ruthrauff & Ryan in N.Y., hadn't heard about the Board's action 2 days later when we sought its reaction to the Code interpretation. But publicity dir. Phillips Fewsmith indicated that the agency was undismayed. He said the mix spots on WNTA-TV were "an experiment" to see how the public received them, that the agency had no present plans to place them on other TV stations—and that no use of radio was contemplated.

WNTA-TV's sales vp Donald J. Quinn defended his station's acceptance of the Holland House account. He pointed out that the challenged spots (starting Oct. 2 for 13 weeks) were seen only on the late-night *Open End* and *Picture of the Week* shows, when the viewing audience presumably is adult.

"We're pretty much of an adult station," Quinn told us. "Our standards are—in our opinion—higher than those demanded by the NAB Code." He added that so far the station had heard no comments from viewers—pro or con.

Present claimant to title of "television's longest-run dramatic program" is *Armstrong's Circle Theater* which announces entrance into its 2nd decade this week.

Next major drive by FTC—which hit the broadcasting industry's payola practices in a wide-swinging campaign this year—will be against illegal advertising allowances in the food industry. Unbowed by the Senate's failure to confirm his reappointment (Vol. 16:35 p3), lame duck FTC Chmn. Earl W. Kintner signaled his wind-up pitch for the new campaign in an Oct. 3 speech to the Minn. Food Retailers Assn. in St. Paul. He said that as a starter FTC has sent questionnaires to 422 corporations in the food field demanding detailed information on allowances to retailers. In a further check on violations of the Robinson-Patman Act (which forbids discriminatory advertising practices by sellers), 113 suppliers & 211 grocery chains have been ordered to file reports to FTC. Another big FTC push under Kintner (who can stay in office until a successor is confirmed) will come next January when the 87th Congress convenes. The ad-policing & anti-monopoly agency, now operating on a budget of about \$8 million, is expected to ask appropriation addds for at least 50% staff expansion.

Eversharp Inc. has agreed to an FTC consent order forbidding "deceptive" TV commercials for Schick safety razors & blades. Cited in an FTC complaint in March for boxing-glove demonstrations "which unduly frighten prospective purchasers of competitive razors" (Vol. 16:13 p8), Eversharp promised to eliminate Schick advertising which: (1) Claims the razors are safer than others. (2) Disparages competitive products untruthfully. (3) Misrepresents consequences if shavers use other razors. Joining in the consent order were Eversharp vp E. E. Ettinger and vp John Hise of Eversharp's agency Compton. FTC dismissed a complaint citation against ex-Compton account executive Alex Hoffman.

Lever Bros. was confronted with testimony at an FTC hearing that an enamel preparation used in TV demonstrations of stain-removing properties of Pepsodent toothpaste was unlike the actual surface of teeth. Dr. David Scott was the star witness summoned by FTC attorney Frederick McManus to back up a complaint that Pepsodent commercials were misleading (Vol. 16:3 p8). An official of the govt.'s National Institute of Dental Research at the National Institutes of Health, he said the demonstration plate wouldn't react like teeth when brushed with Pepsodent. Following initial cross-examination of Dr. Scott by Lever Bros. lawyers, FTC hearing examiner Harry R. Hinkes recessed the proceedings until Nov. 30 in Houston.

General Mills has signed an FTC stipulation in which it agrees to tone down animated TV commercials implying that its Surechamp dog food "contains meat, fish and liver." Negotiated by General Mills & FTC lawyers before any formal proceedings were started by the ad-policing agency, the agreement acknowledges that Surechamp ingredients "are actually meat meal, fish meal and liver meal." In a similar but non-FTC case, the Gaines div. of General Foods has agreed with the Texas Feed Control Service that TV claims that its dog biscuits are "chicken, milk, cheese, meat and liver flavored" were exaggerated.

\$1 million a day is the rate of gross time spending on TV by national food & grocery companies who make TV their No. 1 medium. So reports TVB for the first half of 1960. Billings in network & spot TV totaled \$144,766,075 during the 6-month period (\$88,798,000 for spot; \$55,968,-075 for network). Coffee, tea & food drinks were the major category (\$31,213,881) with General Foods leading this group. Runner-up category was cereals, which spent \$20,666,327, Kellogg leading. Baked goods (\$16,836,003) was 3rd with National Biscuit as top spender.

## Stations

**'9 Worst TV Cities':** There'll be plenty of dispute about it, but antenna manufacturer Channel Master Corp. has come up with a list of the 9 U.S. cities having the worst TV reception, as decided by a poll of TV dealers & service technicians. Channel Master's list:

(1) Kankakee, Ill., depends on Chicago—60 miles distant—for its TV. This fact alone wouldn't make it a bad area—but Kankakee is situated in a hollow. As a result, 40-to-60-ft. towers are required to pick up any signal at all.

(2) San Francisco, because of its hills & valleys, is extremely susceptible to ghosts. Super-directional antennas must be used.

(3) Chicago has a problem similar to that of San Francisco, but because of tall buildings. The problem here is much more serious than in N.Y. City, where it is ameliorated by the Empire State Bldg.'s height & central location.

(4) Utica, N.Y., with one local station set up in a different direction from Syracuse's 2 outlets, has a severe antenna-orientation problem.

(5) Toledo, O. has 2 local vhf stations, but viewers also can receive signals from Detroit (northeast of Toledo) and Cleveland (southeast).

(6) Detroit also has antenna orientation difficulties, with its 4 local stations (including one across the river in Windsor, Ont.) and 2 in the Flint-Lansing area.

(7) Dayton has a similar problem, with its 2 local stations and 3 in Cincinnati.

(8) Los Angeles is a cross between San Francisco & Chicago—buildings & hills—resulting in a ghost problem.

(9) Kauai, Hawaii, is just a little too far from TV, and residents must mount their antennas on 60-ft. telephone poles to pick up Honolulu stations.

"Apostles of the positive" are needed in broadcasting, NAB Policy Committee member G. Richard Shafro (WIS-TV & WIS Columbia, S.C.) told the Alabama Bcstrs. Assn. at the U. of Ala., Tuscaloosa. Instead of "talking among ourselves" about industry virtues, he said, broadcasters should do more to carry the facts to public office holders, civic & educational leaders, churchmen, businessmen and others in their communities. Shafro also called on all in the industry to line up with NAB's TV & Radio Codes. He concluded: "These 2 steps alone—greater effectiveness in our liaison with key local, state and national leaders, and universal support of our own codes of conduct—will take us far toward the freedom... which we have always espoused."

Picketing of sponsors advertising on radio WOGA Chattanooga has been ruled illegal by NLRB trial examiner Louis Libbin in an unfair-labor-practice case involving IBEW's Radio & TV Engineers' local 662. He recommended that NLRB issue a cease-&-desist order against the union. It would prohibit secondary picketing that is designed to induce employees of an advertiser to walk out in sympathy with an IBEW strike against the station. Libbin also urged that the IBEW local be ordered to stop distributing "do not patronize" leaflets intended to "force or require" others to stop doing business with WOGA.

Anti-payola consent orders, approved by FTC in settlement of complaints, have been signed by: Rank Records of America Inc., 24 W. 57th St., N.Y. • Joseph M. Zamoiski Co., 1101, DeSoto Rd., Baltimore • Malverne Distributors Inc., 424 W. 49th St., N.Y. • Sue Records Inc., 725 Riverside Dr., N.Y. • Apollo Records N.Y. Corp., 1780 Broadway, N.Y.

**Ike to Broadcasters:** President Eisenhower's message to Western Hemisphere broadcasters, taped at the White House and distributed to stations by NAB (Vol. 16:40 p11), described TV & radio as "the eyes & ears of democracy." The text:

"On Continental Broadcasting Day I extend greetings to the members of the Inter-American Assn. of Bcstrs. and to their audiences throughout the hemisphere. The purpose of this day is to honor the work done by the radio & television industry in defense of human rights & liberties. Too many, too often, take these basic freedoms for granted. Only those who have lost them realize how precious they are & how essential they are to the survival of popular govt. and to human dignity.

"Among the most important rights of free men is the freedom to talk & write & communicate openly. A dictatorship destroys this freedom by censorship, by closing down the newspapers, by taking over the radio & television stations. Then, after these sources of truth have been cut off and any public discussion of the issues has been forbidden, a dictator turns his country into a desert of ignorance. The people become fearful, isolated, and uninformed as to the issues of the day.

"On Continental Bestg. Day I congratulate those broadcasters in North & South America who help defend their neighbor's right to speak, to discuss, and to think for themselves. By broadcasting the news with freedom & courage, they perform an essential service for us all. They are the eyes & ears of democracy."

First NAB fall conference in Atlanta Oct. 13-14 (Vol. 16:40 p11) will feature Pres. Noah Langdale Jr. of the Ga. State College of Business Administration as the closing second-day luncheon speaker. Other end-of-sessions speakers at the conferences will be: Dallas, Oct. 18-19, Pres. Will C. Grant of Grant Advertising Inc., Chicago • San Francisco, Oct. 20-21, U. of Cal. journalism Prof. Charles M. Hulton • Denver, Oct. 24-25, Martin Co. vp William L. Whitson • Washington, Nov. 14-15, FCC Chmn. Ford • Chicago, Nov. 21-22, American Motors Co. Pres.-Chmn. George Romney • N.Y., Nov. 28-29, U.S. Chamber of Commerce Pres. Arthur E. Motley • The Oct. 27-28 Omaha conference will be closed with a tour of Strategic Air Command hq and a briefing by Gen. Thomas S. Power.

NAB engineering award winner next year will be nominated by a 4-man subcommittee headed by NAB engineering mgr. A. Prose Walker. Other members, named at a Washington meeting of the Engineering Conference Committee which is planning May 7-10 sessions in Washington: Committee Chmn. Virgil Duncan (WRAL-TV Raleigh), Frank Marx (ABC), Benjamin E. Windle (Radio WCLT Newark, O.) Marx heads a subcommittee to choose conference speakers. Other members: James D. Parker (CBS), William S. Dutter (NBC).

Unfair labor practices by WEEK-TV Peoria against members of IBEW local 1292 are alleged by NLRB trial examiner George J. Bott in an intermediate report. The station denied union charges that it had discriminated against IBEW personnel in hiring-&-firing policies, but Bott held that dismissal of floor directors James Palmer & John Jordon was intended to discourage membership in the IBEW. Bott recommended that both be re-instated and that WEEK-TV be required to post a pledge against interference with its employees' right to self-organization.

Revised summary of federal lottery laws and their application to broadcasters is being distributed by NAB.

Although the 3 TV networks have stayed away from a Nikita Khrushchev guest star appearance during his U.S. visit (Mutual invited him; was turned down because he said they wanted too much control), David Susskind was set to give him air time on his *Open End* series last weekend (WNTA-TV Sun. 10 p.m.). Only Susskind, an interpreter, and Khrushchev were scheduled to be on the show. No questions were submitted in advance by Susskind, and he said he hadn't been contacted by the State Dept. to warn informally against allowing Khrushchev a propaganda platform. Why Khrushchev as a guest? "I want to elicit answers to the dozens of questions in every American's mind about the urgent issues of our times." For security reasons the studio to be used for the show was not announced in advance. Investment broker Sutro Bros. & Co. announced it was dropping its sponsorship of *Open End* show with Khrushchev because it would "do nothing to further relations between the United States and the Soviet Union"—but it will resume *Open End* sponsorship in subsequent weeks.

**Freedom of news was upheld** by the Ga. Supreme Court last week in setting aside a \$20,000 contempt-of-court fine imposed on Atlanta Newspapers Inc. last April. The unanimous decision held that Superior Court Judge Durwood T. Pye had erred in ruling the *Atlanta Journal-Constitution* guilty of contempt because of a news story which cited previous arrests of a robbery defendant on trial before Pye. Ruled the Supreme Court: "Freedom of speech & of the press, as guaranteed by the Constitution, is essential to the preservation of a free society."

**TV status report** was issued last week by TvB in the form of a promotional pocketpiece entitled *TV Basics*. The booklet's vital statistics include such facts as: Standard irons are in 86% of U.S. homes and electric clocks are in 77%, but TV is in 88%. More than 43 million homes are reached by TV each week, compared with 33.9 million in 1956. There are now 1,334 brand-name products sold on network TV, and 6,088 use national spot TV. The top 100 U.S. advertisers place 51% of their budgets into TV.

**Unique circular studio wing** is part of a new building to be constructed for KTRK-TV (Ch. 13) Houston at a 4-acre Bissonnet site, between Buffalo Speedway & Westchester. An L-shaped office building forms the other wing, with a patio & pool area also to be available for TV. The circular building, scheduled to be ready by next summer, will be usable as a single 53-ft.-wide studio or, divided, for 2 or more shows. Additional shooting space is available on a nearby lot.

**Two applications** for new TV stations were filed with FCC last week: For Ch. 56 Binghamton, N.Y. by Alfred E. Anscombe, 5% owner of WKBW-TV Buffalo; for Ch. 10 Terre Haute, Ind. by a local group headed by attorney H. Ralph Johnston. The Terre Haute application is contingent on WTHI-TV's moving to Ch. 2. Total applications on file: 98 (19 uhf).

**Switch of KTVT Ft. Worth** from Ch. 11 to Ch. 2 has again been turned down by FCC as it denied the station's petition for reconsideration. KTVT was seeking to swap channels with Denton's educational Ch. 2. Comr. Hyde dissented and Comr. King didn't participate.

**Objections to deintermixture of Fresno**, filed by the city of Fresno and local educators, have been rejected by FCC. The Commission had ordered Ch. 30 substituted for KFRE-TV's Ch. 12.

**Third station for Anchorage, Alaska**, was granted by FCC—Ch. 13 to radio KBYR. Now operating are KENI-TV (Ch. 2) & KTVA (Ch. 11).

## Auxiliary Services

**CANADA'S CHARGE-A-VISION (cont.):** More light was shed last week on the mystery of Charge-a-Vision, the wired pay-TV system announced via local newspaper ads as due to begin operation soon in Sault Ste. Marie, Ont. (Vol. 16:40 p3). Principal protagonist is Canadian promoter Ray Harnet, who has been conducting negotiations with the world-wide wired & broadcast TV-radio combine Rediffusion Ltd., and the Canadian subsidiary of electronic equipment manufacturer General Instrument Corp.

As we went to press, the only party known to have any direct proprietary interest in Charge-a-Vision was Harnet, film industry veteran who once was Warner Bros. Canadian sales mgr. and who more recently severed his affiliation with Rediffusion to promote the Charge-a-Vision wired pay-TV system in the same city where he had been promoting an upcoming Rediffusion CATV project.

General Instrument-F. W. Sickles of Canada Ltd., Waterloo, Ont., at week's end was considering whether it will undertake to manufacture the Charge-a-Vision pay-TV device, which is basically a time meter, indicating the amount of time each pay-TV channel is viewed. Rediffusion was jockeying with Harnet as to whether it would use Charge-a-Vision as an auxiliary to its Sault Ste. Marie CATV system, or whether Harnet would lease cable channels from Rediffusion's service for a Charge-a-Vision market test—but there still was a strong possibility that nothing at all would come of Harnet's announced Sault Ste. Marie pay-TV project.

### Rediffusion Unconfuses Confusion

Rediffusion Inc., Canadian affiliate of big British-operated Rediffusion Ltd., currently runs one of North America's biggest CATV systems in Montreal, with 16,000 subscribers. Commenting on the confusion over Rediffusion's relationship with Harnet, Rediffusion Inc. Pres. T. A. Cross told us:

"For the last 12 months, Rediffusion has been planning to establish a 7-channel CATV system in Sault Ste. Marie, Canada. During this period Mr. Ray Harnet was employed as a field representative of Rediffusion and he carried on negotiations with the local authorities. Two months ago, Mr. Harnet left Rediffusion Inc. at his own request to set up Charge-a-Vision Ltd. and he has advised us of his intention to establish this system in Sault Ste. Marie in addition to other Canadian cities.

"However, Rediffusion has negotiated an exclusive contract with Soo Micro Inc. for the provision of U.S. TV signals by cable from Sault Ste. Marie, Mich., and it is our intention to use this import to provide a cable TV distribution system in Sault Ste. Marie, Canada, before Christmas. Our men are currently engaged in local planning & erection of cable across the Canadian locks.

"We have received overtures from Mr. Ray Harnet and General Instrument-F. W. Sickles of Canada regarding the possibility of utilizing the Charge-a-Vision box ancillary to our system for the purpose of providing pay-TV channels in addition to CATV. We have taken this matter under advisement and we have suggested to the Charge-a-Vision group that they might care to consider leasing from us spare channels on our grids for the purpose of testing the marketability of their device. . . . Whatever conclusion is reached, Rediffusion will proceed to erect a regular cable system in Sault Ste. Marie, Canada, to which pay TV may be added at a later date, but not immediately unless the

discussions with General Instrument are brought to a satisfactory conclusion."

At week's end—despite earlier pronouncements from Canada—General Instrument appeared to be cooling to the whole idea.

Rediffusion, incidentally, already has interest in a proposed pay-TV system—called Choice View—under a 21-year partnership agreement with Britain's J. Arthur Rank film combine.

FCC's Oct. 24-28 pay-TV hearing on the proposed RKO-Zenith Hartford test (Vol. 16:40 p3) has no issue dealing with programming, theater groups told the Commission last week, urging in a petition that the following issue be added: "To determine the nature of the programs to be presented by the applicant during the conduct of trial subscription operations; the manner in which such programs will be selected & procured; the effect of its proposed programming upon the program services presently available; and whether, in light of the facts so determined, a grant of the application would serve the public interest, convenience and necessity." The petition said that the RKO-Zenith application includes "only the most general type of information" and that it is essential that FCC have the data. The petition notes that the present issues may already cover programming, but the exhibitors want to be sure.

Universal Pictures protested last week to Zenith about a gratuitous plug for "Spartacus," a big-budget, \$12-million Ben-Hur-ish epic which Universal is distributing. The hassle began when Zenith PR chief Ted Leitzell, in a Sept. 26 Rotary Club speech boosting the proposed RKO-Zenith pay-TV test in Hartford (Vol. 16:40 p3), updated his previous practice of predicting that pay TV would bring viewers Broadway fare like "My Fair Lady." This time Leitzell cited as illustrative (but not specific) examples new movies "Spartacus," "Ice Palace" and "From the Terrace." Snapped Universal's Charles F. Simonelli in a wire to Leitzell: "We have not made any commitment for the exhibition of our picture on TV, whether by toll or otherwise, and we have no intention of doing so." Leitzell quickly wired Universal that what he had said was that pay-TV movies would be "of the calibre of" Universal's new blockbuster, and "at no time did I suggest that arrangements had been made for exhibition of any of these pictures on subscription TV."

Williamsport Cable Corp., National Theatre's 8,700-subscriber CATV system in Williamsport, Pa., has bought competitor West Branch TV Services Inc. for an undisclosed price. West Branch has 4,200 subscribers. The city has 3 more systems: Lycoming TV Cable Corp., with 3,000 connections; Clearview TV Service, 400; Cole TV, 150. NT&T Pres. B. Gerald Cantor said the West Branch system would be integrated with the Williamsport system into one operation, directed by Samuel P. Norton, pres. of WCC. Prices for systems are running \$150-\$300 per subscriber.

Unusual CATV setup in Salisbury, Md., finds 2 systems under construction simultaneously & competitively. One is operated by the city's station, uhf WBOC-TV (Ch. 16); the other by a group whose head is Martin F. Malarkey Jr., pioneer CATV operator & former pres. of NCTA. After a protracted dispute, the city gave both organizations the go-ahead. Competition for customers has been brisk, sometimes bitter. Each supplies 5 TV channels plus FM signals. Neither charges an installation fee, and both get \$4.45 a month.

## Film & Tape

**FCC Begins Film Quiz:** FCC's public hearings on TV film, which begin in Hollywood this week (Mon., Oct. 10), will probably last for 2 weeks "or more," we're informed by FCC attorney James Tierney, who, with Ashbrook Bryant, will conduct the hearings (Vol. 16:40 p8).

Tierney said leading Hollywood TV film executives will be asked to explain how they develop a new series, how they follow it through and eventually sell the property. "We will seek details on all of their activities, in an effort to obtain facts for the FCC and Congress to determine if any new legislation is needed," Tierney said.

FCC plans first to call executives of the major movie studios engaged in TV. They will be followed by representatives of the larger independent TV film companies. Then will come the smaller companies and individual spokesmen. All will be required to testify under oath.

In a surprising development, the FCC attorneys also requested talent guild executives to testify. The latter were reluctant, and will appear only because they have been subpoenaed. Screen Actors Guild national exec. secy. John Dales & his asst., Chet Migden, and Writers Guild of America West Pres. Curtis Kenyon will testify. FCC's staffers have also discussed the hearing with the Directors Guild of America.

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TV film producers, worried about the new payola law, have asked FCC to maintain the status quo until the Commission comes up with specific rules as guidelines. Alliance of TV Film Producers, which met with FCC staff members recently (Vol. 16:39 p6), said that legislative history indicates clearly that the amendments to Sec. 317 of the Communications Act weren't meant to affect film produced before Sept. 13. Therefore, it requested the Commission to issue "an interim ruling on Sec. 317 (d) declaring that until a final ruling is issued on the subject, the provisions of Sec. 317 as it existed prior to Sept. 13, 1960 shall govern announcements with respect to filmed programs produced prior to Sept. 13, 1960." As for programs produced thereafter, it said, time is needed to examine the industry's practices to see whether they're proscribed by law and what should be done about it. It asked for a waiver until Jan. 1, 1961, to protect current production. Motion Picture Assn. told the Commission it was studying the matter, would shortly give its views—presumably similar to ATFP's.

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Revue Studios placed Robert Horton of *Wagon Train* on suspension when he failed to report for work last week. Horton, who earns \$2,250 a week as a co-star with Ward Bond, has given Revue no reason, said a studio source. He is being replaced by Terry Wilson of the series' regular cast for the episode currently shooting. Bond denies a feud exists, but adds: "I feel Horton was never particularly interested in the show. He seemed more interested doing work where he could make more money once the series established him. I would feel more loyalty to the series than that." Horton was reported doing a personal appearance in Little Rock, Ark., at the time he was to report for work in the series.

Los Angeles Superior Court last week approved a contract for 15-year-old actor Richard Eyer, a co-star of Four Star Television's *Stagecoach West*. Under its terms he receives \$1,500 an episode and 20% of his original salary for each rerun; his parents get \$250 an episode for "supervision."

## HOLLYWOOD ROUNDUP

**WGA Recall Vote Oct. 26:** Writers Guild of America West's bitter internal fight comes to a showdown Oct. 26 when members will vote in a recall election aimed at removing members of the TV-radio board. The factionalism began during the WGA strike against TV film early this year. One group wanted an early settlement without royalties on foreign reruns; the other held out for the foreign rights. The latter group's stand was upheld by the membership, and eventually by the contract after the strike.

Since the strike's end, the 2 groups have been warring over selection of a WGA representative on the industry fact-finding committee to be set up to establish a royalty figure. The negotiating committee wanted one of its members, Sam Newman named a fulltime, paid member of the industry group—and were backed by a majority of the membership. But the TV-radio board fought this selection, and ultimately the WGA council recommended a non-Guild member for the job.

The infighting continued. Newman withdrew from the controversy, notifying WGA he wasn't available. At the same time he sharply rapped the knuckles of the TV-radio board for "ignoring" membership recommendations & delaying all action as long as he was a candidate. WGA then named attorney Joe Taback as its paid representative on the industry committee for a 3-month period.

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Republic Studios is building a new sound stage specifically for TV film . . . Revue Studios, currently constructing 2 new stages, has decided to build 2 more (for both movie & TV production). Newest tenant at the Universal City lot is the Stanley Kramer Co.

Producer Nat Holt will end *Wells Fargo* after this season. "We feel it's better to quit while we're ahead," Holt told us. By this season's end he will have produced 167 films. Dale Robertson, star of the series, owns a piece of it. Holt, who is also producer of *The Tall Man*, is planning 2 new Western pilots. Unlike many of his colleagues, he believes Westerns are far from through.

Allied Artists and Lindsley Parsons, Inc. plan a pilot for a 60-min. action show, *Patrol Boat 999*, in December. The project, dealing with the U.S. Coast Guard in the 1920s and 1930s, will be produced by Aubrey Wisberg. Parsons is exec. producer.

Screen Gems has resumed production of *Man Hunt*, starring Victor Jory & Pat McVey, in San Diego. Robert Cranford replaces Michael Stefani as a cast member.

Collier Young Associates has been formed by producer Young and Robert H. Hill. Its first project is syndicated (30-min.) taped series, *Crime & Punishment*.

ABC Films' *The Racers* goes into production late in Oct. at Republic Studios. Albert J. Cohn is producer.

Producer Jack M. Warner plans a series about the Civil Air Patrol.

**People:** Desilu Productions has signed producer Mort Briskin to a new contract. He is developing pilots of two 60-min. and two 30-min. series . . . Warner Bros. has signed actor Grant Williams for TV . . . Filmways has re-signed commercials-production vp Will Cowan to a 3-year contract . . . Leo Salkin has been named Format Films story editor of *The Shrimp* series being prepared for Four Star.

## NEW YORK ROUNDUP

**Add syndication sales:** ITC picked up 42 Canadian markets last month for its 17 properties syndicated in Canada. A rundown of sales for individual series includes: *Interpol Calling*, sold in 10 markets; *Best of the Post*, 7 Canadian market sales (now in 104 U.S. markets) . . . CBS Newsfilm's daily news & sports service gained 9 stations last month: 4 foreign & 5 U.S. New stations include: Fuji Telecasting Co., Tokyo, Japan; Productores TV Associados, Montevideo, Uruguay; WRDW-TV Augusta, Ga.; WTOL-TV Toledo, Ohio . . . Ziv-UA's adventure series, *Sea Hunt*, now in its fourth year of syndication, signed 20 new markets last week . . . MCA-TV's first-run-off-network series *M Squad* gained 7 new stations last month including KTTV Los Angeles; KPLR-TV St. Louis; WMAL-TV Wash. D.C. . . . ABC Films' *John Gunther's High Road* will go into first-run-off-network syndication this week. Market sales to date total 4, including WPIX N.Y., with 3 additional markets reportedly ready to sign.

Peter M. Robeck & Co. Inc., TV syndication firm, formerly Scarab Film Corp., was announced last week by ex-Scarab Pres. Peter Robeck. It will be the exclusive distributor of *The Pioneers*, 52 reruns from the McCann-Erickson & Borax Chemical Corp. syndicated production, *Death Valley Days*. Featuring Will Rogers Jr. as host, the rerun package has been sold in 60 markets.

NTA's Storevision returned Oct. 3 for the 1960-61 season, via WNTA-TV N.Y.'s *Day Watch* program, in 275 metropolitan locations. The away-from-home TV show, which began a year ago but took a 1960 summer hiatus, will reach viewers in supermarkets, self-service laundries & drug stores with tips on shopping, latest news, sports & weather information and stock market quotations. It can also be seen by home viewers.

George George Productions, producer of the Trans-Lux-syndicated *Rube Goldberg's Inventions* (launched this month—Vol. 16:40 p9) has named Alexander Film Studios to handle physical production of the series. AFS is primarily a commercial film house located in Colorado Springs, Colorado. Cartoonist Rube Goldberg completed his role in the pilot reel last week.

Telestudios, NTA-owned N.Y. producer of taped commercials, increased billings 59% in the past 6 months over the comparable previous period, reported Telestudios Pres. George K. Gould. Among agencies regularly using their tape facilities: BBDO; Young & Rubicam; Benton & Bowles; Ted Bates.

An independent movie producer will make *The Big Payola*, dealing with the scandals in TV & radio. Alan Freed, N.Y. disc jockey fired during the investigation, and now working for KDAY Los Angeles, will star in the movie, which will be produced by Maurice Duke.

Ziv-UA has launched its 6th syndicated series of year, *Miami Undercover*, originally planned as a United Artists syndication release.

**People:** James B. Faichney has joined the creative projects section of NBC News & Public Affairs to develop programs in new *Victory* series . . . Richard Brill has been signed as Selmar Productions (AB-PT subsidiary) producer and gen. programming exec. . . . Mauri H. Goldberg has joined Robert Lawrence productions as senior producer & dir.

## Networks

CBS will salute auto industry Oct. 16 with a Sun-evening, 6-7 p.m. special packaged by CBS News. The telecast is timed to coincide with the 43rd annual National Automobile Show. Viewers will be given a backstage look at the design, testing and construction of new cars, plus a shopper's-eye-view of the "complete, 1961 lines of every American auto manufacturer." The network's news interest in the auto show, however, is inversely proportional to the amount of auto advertising booked this season among the networks. Currently, NBC (despite the loss of much Plymouth billing to ABC and considerable Ford billing with the demise of *Startime*) has 55% of network auto business, ABC has 26%, and CBS has 19%. CBS apparently hopes to improve its general image among auto sponsors by its auto-show cooperation.

Leading network-TV advertiser in July was conventions-sponsor Westinghouse with gross time billings of \$5,831,551, reports Tvb. Runner-up was another convention advertiser, Lever Bros., with \$3,330,794 in billings. Other convention sponsors among July's top 15 advertisers: Mutual Benefit Health & Accident Assn., Brown & Williamson, Bristol-Myers, Cowles Magazines, B. F. Goodrich, RCA. Westinghouse also took top honors in the most-advertised-brand category, with a \$2,701,068 investment for institutional advertising. July's leading advertiser category was toiletries & toilet goods (\$8,768,074). Leader for the 7-month Jan.-July period was food & food products (\$65,332,423)—down from \$66,564,653 last year. Toiletries & toilet goods time-billings totaled \$64,867,095 for 1960's first 7 months—up from \$60,258,536 in Jan.-July 1959.

### NETWORK SALES ACTIVITY

#### ABC-TV

**Walt Disney Presents**, Sun. 6:30-7:30 p.m., participations eff. Oct. 2 and Nov. 6 respectively.  
*American Chicle* (D-F-S)  
*Johnson & Johnson* (Young & Rubicam)

**Cheyenne**, Mon. 7:30-8:30 p.m., participations eff. Dec. 1960  
*Coleman* (Potts-Woodbury)

**Daytime programming**, Mon.-Fri., part. eff. Oct. 24.  
*Better Vision Institute* (Doherty, Clifford, Steers & Shenfield)

**Election Eve program**, Mon. Nov. 7, 11 p.m.-12 mid., one-time special, full sponsorship.  
*Republican National Committee* (Campaign Associates)

#### CBS-TV

**The Year of the Polaris** (*CBS Reports* series), Tue. Oct. 11, 8-9 p.m., full sponsorship.  
*Marlboro Cigarettes* (Leo Burnett)

**New York Philharmonic Young People's Concerts**, 4 Sun. specials, 4-5 p.m., full sponsorship eff. Jan. 8.  
*Shell Oil* (Kenyon & Eckhardt)

**The Scarlet Pimpernel** (*Family Classics* series), Fri. & Sat. Oct. 28 & 29, 7:30-8:30 p.m., half-sponsorship.  
*Procter & Gamble* (Benton & Bowles)

#### NBC-TV

**Mike Nichols & Elaine May Revue**, Fri. Jan. 27, 9-10 p.m., one-time special, full sponsorship.  
*Kitchens of Sara Lee* (Cunningham & Walsh)

"This Ain't My Life" was in substance the charge by New Haven, Conn. factory foreman Abraham Hahn in a \$500,000 suit against NBC last week. Hahn's gripe was what he termed a "fraudulent & misleading description of [his] family situation May 4 in a *This Is Your Life* Mother's Day tribute to his wife. On that occasion, Ralph Edwards chose to portray Mrs. Betty Hahn as an "ideal" mother known for her "deep & moving sacrifices on behalf of her family." The truth, according to Hahn: Betty Hahn is separated from him, has been in & out of juvenile courts with 17-year-old daughter Pauline, and is not in contact with son Herbert, 19. NBC flatly denied having had any information contrary to the Edwards-portrayed facts. "The program is handled in complete secrecy and therefore we had no idea about the truth of the matter," stated the network Oct. 6. "A carefully planned hoax," was NBC's final word on the mishap. "All participants in the telecast went along with the deception and we had no way of knowing anything before this week." However, the network insisted that it was not backing down on its previously announced position—"to assume complete responsibility to the public for what appears on the network."

Edward R. Murrow publicly needled the networks last week—including CBS—for "remaining mute" in the face of recent State Dept. suggestions for limitations on TV-radio coverage of Khrushchev & friends. The networks, said Murrow on his Sunday CBS Radio news-analysis show, should have told State Dept. officials: "We in the news business think we are competent to make our own decisions . . . and require no editorial assistance. Thank you very much, period." Implying that CBS was as much at fault as anyone for taking State Dept. guff, Murrow declared that "only ABC's [news vp] John Daly" spoke out against "the old grinding machinery of bureaucracy." Observers noted that the CBS-Murrow difference of opinion was not the only one in recent weeks. (Vol. 16:32 p 8).

CBS Inc. Pres. Dr. Frank Stanton will assess "the long range significance of advances in broadcast journalism, including the current Presidential debates" in a book due for 1961 publication by Alfred A. Knopf. Stanton, prime mover in the drive to lift restrictive Sec. 315 (see p. 4), will "deal historically & analytically" with advances made in TV-radio news during recent world crises.

NBC-TV has signed a new "Emmy" contract to replace its good-until-1962 pact with the National Academy of TV Arts & Sciences. The deal through 1965 will help NATAS to push ahead on new projects (ETV aid, TV library & museum, scholarships, etc.), but NBC wasn't being altruistic. ABC recently landed the movies' Oscarcast under a long-range deal, reputedly had its eye on the Emmy show.

## Congress

Vote of confidence in TV & radio was given by Congress in passing the anti-payola Harris-Pastore Act and suspending equal-time rules for Presidential tickets (Vol. 16:35 p1), according to NAB chief counsel Douglas A. Anello. "The public & our industry will benefit" from both measures, he told a Nashville meeting of American Women in Radio & TV. Anello said broadcasters are "grateful for the confidence expressed by Congress in our integrity" and that they'll "not be found wanting." At the same time, Anello warned that many in Congress held "strong reservations" about giving too much freedom of action to broadcasters. He said the industry "must demonstrate once & for all that this confidence has not been misplaced."

## Technology

**Toward Space TV Relays:** Another big advance toward worldwide instantaneous TV transmission via spaceborne relays was made last week with the successful orbiting & operation of the 500-lb. Courier communications satellite.

Courier won't accommodate the bandwidths required for TV, but it offers another proof that satellites will some day be practical for TV relay. Courier is able to record messages sent to it, playing them back when it is keyed from the ground. It also can be used as an instantaneous microwave relay when it is in range of 2 ground stations.

Echo I, the 100-ft. aluminized balloon now in orbit, represents the "passive" approach to space communications, in that it has no electronic equipment in it—radio signals are merely "bounced" from it. Courier is the most elaborate "active" (or repeating) satellite sent aloft to date. Both approaches have TV-relay possibilities.

Courier is experimental forerunner of Project Advent, now being developed by the Army. Advent will involve the spacing of 3 one-ton satellites equidistantly around the equator at a height of about 22,500 miles (Courier is only 500-745 miles up), so that they will hover over the same spot on earth, moving at the same speed as the earth's rotation. With these 3 satellites in place, nearly 100% of the earth's surface would be within communications range. The first Advent satellites are expected to be orbiting in 1963, with regular operation before 1970.

Commercial TV relaying is not the principal goal of any of these communications satellite programs. They are designed as military or general communications necessities—but the aim is to provide channels with enough bandwidth to accommodate video information, and live transoceanic TV will be a psychologically important by-product.

Courier was developed by the Army Signal Corps, its payload built by Philco, the ground transmitting, receiving & control equipment by ITT, antennas by Radiation Inc.

Two new superpower microwave tubes, described as "revolutionary breakthroughs in microwave tube technology," have been developed by GE Research Lab, with potential uses in radio-astronomy, space satellites, space probe tracking, space communications, etc. To develop hardware encompassing the new developments, GE's power-tube dept. is setting up a superpower microwave tube lab. The new tube types: (1) Multiple-beam klystron, combining a number of beams in one RF structure within a single vacuum enclosure. (2) Orthotron, a cross-field tube employing traveling waves.

New technical TV report available from FCC: "A Further Analysis of TASO Panel 6 Data on Signal to Interference Ratios & Their Application to Description of TV Service." It's titled "T.R.R. 5.1.2," may be obtained from the FCC Technical Research Div., Washington.

Brief progress report on N.Y. uhf project was issued by FCC last week. It noted: (1) An antenna showing "a reasonable approach to coverage" from the Empire State Bldg. has been designed by Melpar and will be tested. (2) Though tuners could be developed with a 3 db improvement over the better tuners now on the market, such tuners can be simulated by single-channel amplifiers—thus saving money. (3) Ch. 31 will be used on the Empire State Bldg. and a channel in the 800-mc range will be employed for the lower-powered unit. It's hoped that the latter can be mounted on the idle tower at Alpine, N.J., formerly used for FM by the late Dr. Edwin Armstrong. (4) Receiver sites are being studied.

## Television Digest

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**Personals:** Ben Park named WBC exec. producer for program development . . . Larry Paulus named asst. program dir., WCBS-TV N.Y. . . . Thomas B. Shull, Storer Bctg. film-operations dir., elected chmn., U.S. Bestrs. Committee on World Affairs for UN . . . Daniel R. Kelly named sales presentations mgr. of CBS-TV Spot Sales' new sales presentation dept. . . . Ed Aaronoff appointed ad, promotion & publicity dir., MCA.

FCC Chmn. Frederick Ford, suffering from a virus infection, stayed home all last week on instructions of his physician. He sent asst. James Sheridan to read his prepared speech to the Montreal convention of the Radio-TV News Directors Assn. (see p. 6) and canceled an inspection trip to Telemeter's pay-TV installation in Toronto.

Donald W. Peterson, RCA Labs, Princeton, has received the annual Scott Helt Award of IRE's Professional Group on Broadcasting for his paper (*TV Antenna System Measurement Based on Pulse Techniques*) published in the March 1960 issue of the Group's *Transactions*.

## Obituary

Jacob (Jay) Paley, 75, a founding director (1929-37) of CBS and uncle of CBS Inc. Chmn. William S. Paley, died Sept. 30 in his Bel Air home at Los Angeles following a heart attack. A wide-ranging financier who retired in 1934, he had held interests in film production with Walter Wanger, in the old Congress Cigar Co., and in the Del Mar Race Track & Arrowhead Springs Hotel. Immediate survivors include a daughter, 2 brothers, a sister.

Joseph Nye Welch, 69, who became a national figure overnight as the Army's counsel in the 1954 televised Army-McCarthy hearings, died Oct. 6 at Hyannis, Mass. His performance at the televised hearings brought Welch new careers in the movies (as the judge in "Anatomy of a Murder") & TV. Among his many TV credits: relater of the story of the Constitution in an *Omnibus* series; host of *Dow Hour of Great Mysteries*.

Lord Simon of Wythenshawe, 80, chmn. of the BBC from 1947 until 1952, died Oct. 3 in Manchester, England. A member of the Labor party, he caused a controversy in 1950 by canceling a BBC-TV play that ridiculed socialism.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**AUG. RETAIL TV SALES DOWN 13%:** Official confirmation came last week from EIA that August was the first 1960 month to show retail TV sales figures below the comparable 1959 month. Monthly report by EIA shows Aug. sales to consumers dipped 13% below those of Aug. 1959—a somewhat greater drop than earlier estimates had indicated (Vol. 16:39 p14).

August retail TV sales showed seasonal pickup from July—in fact were highest this year since March—but pickup wasn't enough to maintain 1960's previous good sales momentum. Consumers bought 429,346 TV sets in Aug. 1960, compared with 492,449 in Aug. 1959.

On a yearly basis, Aug. sales were at a rate of about 5.8 million. But retail sales figures for first 8 months of 1960 totaled 3,479,731 units, or an annual pace of about 6.3 million (vs. 1959's total retail sales of 5.74 million). The 8-month retail sales total was still well ahead of 1959's first-8-months figure of 3,126,981. On other hand, total distributor sales to dealers through September, as previously reported, now is slightly below 1959's first-9-month total.

Total retail sales of radios (excluding auto) continued higher than 1959 during Aug.—794,608 sets sold vs. 671,713 in Aug. 1959—still at annual sales rate of about 10 million sets. For complete tables, see p. 16.

**FLAT-SCREEN TV—HOW SOON?** Remarkable progress in electroluminescence for lighting uses—and some beginnings in use of this new medium for electronic display devices—were demonstrated by Sylvania in N.Y. last week.

Electroluminescent lighting panels now can be produced in 3x5-ft. sizes, making possible walls and even whole buildings which glow with a soft light, Sylvania officials demonstrated. This larger size & greatly increased brightness are among latest breakthroughs in science of electronic lighting. (Developmental lighting panel glows at brightness of 1,000 ft.-lamberts, compared with 50 ft.-lamberts given off by TV screen.)

Since electroluminescent lighting panels may be made as thin as .04 in. and can be made to glow in response to variations in voltage or frequency applied to them, this principle is generally accepted as the one which eventually will yield the true flat TV picture—successor to the cathode-ray tube.

First simple electroluminescent read-out devices—such as one which forms all numbers & letters of alphabet—are crude forerunners of flat TV displays.

How soon will the flat screen arrive? How actively are electronics labs working on this project? We put these questions to several top Sylvania electroluminescent research scientists. In answer to 2nd question—plenty of work is going on. Sylvania has already announced a developmental flat-panel oscilloscope—2nd cousin to a TV display—but with limited resolution capacity.

Big stumbling-block in development of flat TV screen is deflection device, extremely complex & capable of rapid switching. In essence, this would be a computer—and as one engineer said: "We could find plenty of other uses for a computer like the one we'd have to develop for an electroluminescent TV screen."

Sylvania officials aren't saying how far along they are in development of such a device—nor are other companies. Nobody wants to give clues to his competitors or upset the TV market with pie-in-the-sky announcements. There's another imponderable involved: How interested is the military in a flat screen for radar or TV pictures? Flat-screen TV will come much sooner if it is by-product of military research than if it's undertaken for consumer-products manufacturers, whose research funds are far more limited.

From our conversations with scientists & engineers of Sylvania and other companies, here's rough guess at a flat-screen timetable: Demonstration of high quality electroluminescent TV picture in 2-to-3 years; flat screen ready for commercial production within 10 years. So don't throw away your cathode-ray tubes.

**SET MAKERS ADOPT GE's COMPACTRON:** GE's new approach to multi-function receiving tubes—the Compactron (Vol. 16:27 p14)—has drawn active interest of 13 electronic equipment manufacturers (all of them understood to be connected with consumer fields) and firm orders for more than 50,000 Compactrons a month.

Two other receiving tube manufacturers—CBS Electronics and Tung-Sol—also are planning to produce Compactrons, thereby guaranteeing equipment makers an alternate source of supply. Such a guarantee is extremely important, as the current IUE strike against GE points up.

Combining as many as 8 tube functions within one glass envelope, Compactrons promise real circuit savings in TVs, radios & phonos, without lowering quality. In addition, they also permit some size reduction in equipment. GE said it expects "Compactronized" equipment to start appearing on market next year, is completing tooling-up of plants in Owensboro, Ky. & Tell City, Ind. It is developing 37 Compactron types at request of customers. These range from 8-function types down to single-function units (which can handle more power output than equivalent tubes) in both series-string & parallel heater arrangements.

**'GOOD' RESPONSE TO JAPANESE TV SET:** First market test of Delmonico's 19-in. Japanese-made TV set at N.Y.'s Liberty Music Shops (Vol. 16:40 p14) was described last week by a store official as successful. A N.Y. Times ad pulled "very well," he said, with "good" store traffic resulting & several sales made—although he declined to state the number.

The portable, which is being sold for \$159.95 at Liberty, went into distribution to other outlets across the country last week, and Delmonico exec. vp Herbert Kabat termed distributor reaction "excellent."

Liberty's N.Y. Times ad last week, due to be repeated, stressed the set's quality & value, with big photo of chassis, smaller shot of front of set. "Built to exceed the finest standards of quality in workmanship, performance, engineering, design," said the ad. Only hints that it might be foreign-made set were these phrases: "All tubes available anywhere in the U.S. . . . Workmanship to rival the finest Swiss watch!"

Although proud of heavy-duty quality features of set, it's understood Delmonico is working with manufacturer Victor of Japan to produce less deluxe version which could be sold cheaper. Other Delmonico TV plans: 19-in. TV-radio-phono combination, due to arrive within 60 days; complete 23-in. line early next year.

Japanese portable battery-operated sets still aren't in sight for U.S. market. "We're waiting for improvements in performance," Delmonico's Kabat told us. "There are certain corrections we feel are necessary." He had no estimate of when transistor sets meeting Delmonico's requirements would be available in quantity.

Sony also says it doesn't know when it will have battery TVs for sale here. Representative of Sony Corp. of America said his company no longer is aiming at Christmas season sales this year. He pointed out that current production of Sony transistor TV is still going entirely to Japanese domestic market. As for any plans to market conventional TV sets in this country: "We have none so far."

#### TV-RADIO PRODUCTION: EIA statistics for the week ended Sept. 30 (39th week of 1960):

	Sept. 23-30	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	150,503	143,808	192,383	4,368,666	4,488,857
Total radio .....	521,194	424,457	467,129	12,403,407	10,927,252
auto radio .....	264,212	176,733	183,656	4,781,836	4,151,846

New plants & expansions: Texas Instruments is establishing foreign subsidiary Texas Instruments France to manufacture semiconductor devices & components for the European Common Market. Manufacturing quarters will be leased in Nice, pending construction of a plant in or near that city • Philco has elevated its communications systems dept. to divisional status (the 5th in the company's govt. & industrial group). The new division will be headquartered in a 70,000 sq.-ft. building Philco will erect in the Fort Washington (Pa.) Industrial Park. Until the new Philco Bldg. is ready for occupancy early next year, the communications div. will lease quarters in the Park.

Yugoslavia Pres. Tito apparently favors EIA's TV-in-every-room campaign. He took home with him 6 U.S.-made portable TVs.

Mergers & acquisitions: Telex Inc., Minneapolis manufacturer of electronic components, plans to acquire 82% of the stock of Waters Conley Co., Rochester, Minn. phonograph maker, in exchange for 102,000 shares of Telex. The Telex stock is currently valued at about \$2.5 million • Microdot, Pasadena components maker, has entered the fields of transducers and cryogenics with the acquisition for an undisclosed number of shares of Nacimco Products, San Diego • Walco Electronics, new manufacturing & distributing concern, has acquired the Clevite Walco operation from Clevite's electronic components div.

Crosby Electronics enters the hi-fi component field under its own name (it also owns hi-fi manufacturer Madison Fielding) with an FM tuner at \$99.95 and a 28-watt stereo preamp-amplifier at \$119.95.

## More about

**RETAIL TV SALES DOWN:** This year's first dip in retail sales (see p. 14) brought cumulative TV sales to the public to 3,479,731, or an annual rate of about 6.3 million. In radio, Aug. retail sales continued to run ahead of last year. TV production was below the corresponding 1959 month for the 3rd consecutive time as manufacturers continued their attempts to trim inventories to match slowdown in purchases by dealers. (Vol. 16:39 p14). Here are EIA's Aug. and year-to-date figures on production & retail sales of TVs & radio:

### TELEVISION

Month	Total Production		Uhf Production		Retail Sales	
	1960	1959	1960	1959	1960	1959
January ....	526,494	437,026	50,119	35,841	590,867	501,704
February ....	503,453	459,492	43,537	34,678	507,673	448,173
March .....	549,500	494,032	45,411	32,112	501,829	425,751
April .....	422,551	389,251	39,240	20,501	351,214	263,998
May .....	442,176	431,911	32,295	28,247	334,283	279,536
June .....	518,870	571,004	34,245	29,064	371,661	344,795
July .....	268,854	350,360	14,621	21,022	392,858	370,575
August ....	462,286	547,445	26,829	32,847	429,346	492,449
<b>TOTAL ....</b>	<b>3,694,184</b>	<b>3,680,520</b>	<b>286,297</b>	<b>234,312</b>	<b>3,479,731</b>	<b>3,126,981</b>

### RADIO

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January ....	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February ....	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March .....	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April .....	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May .....	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June .....	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July .....	890,359	829,035	328,009	254,725	573,363	526,827
August ....	1,048,406	1,009,423	340,860	279,424	794,608	671,713
<b>TOTAL ....</b>	<b>10,463,285</b>	<b>8,946,044</b>	<b>3,991,961</b>	<b>3,434,345</b>	<b>5,246,329</b>	<b>4,357,421</b>

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 50,963 (29,145), March 83,127 (32,994), April 61,953 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553), Aug. 71,125 (42,866). Eight-month total: 573,367 (290,862).

**Component Sales High:** Shipments of electronic components again were at record levels during 1960's first quarter, according to the electronics div. of Commerce Dept.'s Business & Defense Services Administration. As reported last week, the first quarter saw shipments of components (including tubes & semiconductors) at more than 20% above the first-half 1959 rate (Vol. 16:40 p18).

The Commerce Dept. figures are derived from the quarterly Survey of Production Capabilities for Electronic Parts, conducted jointly by Defense Dept.'s Electronics Production Resources Agency and BDSA's electronics div. and are labeled "estimates." A more detailed table—breaking down the following categories into product groups—is available from the BDSA. These figures are for first-quarter 1960:

Category	Total	Units (add 000)		Value (add 000,000)	
		Mili-	Mili-	Non-	Non-
		tary	tary	tary	tary
Power & special tubes ....	3,211	745	2,466	\$ 62.5	\$40.2
Receiving tubes .....	106,962	6,570	100,392	95.2	14.6
TV picture tubes .....	3,070	—	3,070	61.9	—
Semiconductor devices ....	63,507	19,648	43,859	129.0	63.4
Capacitors .....	328,585	35,601	292,984	65.5	20.3
Complex components .....	10,093	138	9,955	5.2	2.7
Connectors .....	27,612	17,012	10,600	43.1	28.4
Quartz crystals .....	1,646	629	1,017	4.8	1.4
Relays .....	10,377	3,212	7,165	48.8	22.5
Resistors .....	532,771	59,892	472,879	61.2	27.6
Transformers & reactors	10,294	1,684	8,610	46.4	19.9

New TV picture-tube phosphor (CR407) developed by Sylvania chemical & metallurgical div. is claimed to offer these production & quality advantages: (1) Simplified application to face of picture tube. (2) Improved resistance to contamination from impurity elements during production process. (3) Increased resistance to ion burns.

**TV RENTAL BUSINESS GOOD:** Most TV dealers are also in a rental business—and business is good. This was one of the conclusions of a recent NARDA survey of TV-radio-appliance dealers. Of the 60 dealers replying, 38—or about two-thirds—indicated that they rent TV sets or appliances.

TV is by far the most popular rental appliance, 31 of the 38 renting dealers indicating that they do TV rental business. Next come automatic washers & refrigerators (10 dealers each), ranges (8), dryers (5), dehumidifiers & air conditioners (4 each), tape recorders & sound systems (3 each), freezers, dishwashers & wringer washers (2 each), gas incinerators & ironers (one each).

Average rental price charged for TV sets is \$1.20 a day (low 90¢ high \$2), \$5.75 a week, \$23.70 a month (low \$10, high \$50), with an average minimum rental of \$5.

For tape recorders, average rate is \$15 a week, with monthly rates \$45 to \$60. Sound systems run \$10 a week, \$40 a month, the survey indicates.

Although some dealers actively promote rentals, NARDA found others merely carry it on as a quiet sideline or as a sales inducement—but "none of the dealers reported they were taking a loss on their rental programs, and many indicated they found the rental business a profitable sideline for their selling operation."

Automobile record player made by Philips of Eindhoven has been introduced in U.S. by North American Philips. The single-play Norelco Auto Mignon, priced at \$57.50 including brackets for under-dash mounting, plays 45-rpm records which are inserted in a slot, sliding them out of slot automatically after playing. The operation can be accomplished with one hand. About a year ago, Chrysler Corp. introduced an RCA automatic changer which plays 14 regular 45-rpm discs (Vol. 15:47 p19). It was offered as an accessory for 1960 Plymouths & DeSotos at \$51.75 (1961 availability & prices not yet announced). Both the RCA & Philips machines plug into the auto radio, using its audio amplifier & speaker.

IUE's strike against GE (Vol. 16:40 p15) was still going strong after 6 days, with no settlement in sight, as we went to press. Both sides were still conferring with the Federal Mediation & Conciliation Service, although GE had rejected as a "grandstand play" IUE's proposal for a 30-day truce. The walkout was joined last week by 9,000 IUE workers at GE's largest plant, in Schenectady. IUE represents 70,000 workers in about 55 plants, out of a total of 240,000 at 166 plants. There was violence at some plants. The worst developed at Schenectady, where Mayor Malcolm Ellis declared a state of emergency Oct. 7 after fighting broke out on the picket lines.

New tube complements for AC-DC radios in 4-tube & 5-tube versions were introduced last week by RCA electron tube div. The series-string tubes, which have 100-milliamper heaters, generate "substantially less" heat than conventional 150-milliamper tubes and therefore can be used in smaller cabinets and add new flexibility to component positioning. The 4-tube "economy" radio complement includes a high-sensitivity audio-output pentode (50FK5) which eliminates the need for a preceding AF amplifier stage.

Admiral's 1960 radio sales will set an all-time record, Admiral Sales Corp. electronics div. vp Ross D. Siragusa Jr. predicted last week. He said sales to dealers for this year through Sept. 9 have been 42.6% higher than the year-ago period, compared with industry's increase of 6.8%.

**ELECTRONICS 'BUGS' BBB:** Consumer electronic products accounted for approximately one of every 10 complaints registered with Better Business Bureaus last year, BBB Pres. Kenneth B. Willson told the EIA service committee at its quarterly meeting in Haddonfield, N.J. last week. The complaint rate was high enough to place the electronics industry 3rd among the nation's worst offenders—hard on the heels of its relative—2nd-place major household appliances. Top gripe-getter: home-improvement field.

Sympathetic to the enormity of the electronics industry's over-all sales-service problem, Willson offered numerous suggestions for reducing the complaint rate. The suggestions, based on the views of hundreds of dealers & servicemen throughout the country, included: Ship only pretested products. Educate the public to the nature & limits of warranties. Limit ad claims to the product's field performance, step-up replacement-parts availability. Keep the service industry better informed on products. Recognize & correct product "bugs" promptly.

Willson noted 3 main sources of complaints:

(1) Consumers vs. dealers & servicemen. Said he: "The most serious [complaints] involve misunderstanding of warranties, alleged excessive charges and its first cousin, dishonesty, and dilatory & inefficient servicing."

(2) Dealers & servicemen vs. manufacturers. Among the major beefs: Manufacturers "soft-pedal the service needs of their products," oversell trouble-free performance. Extended warranties of one year place an undue economic burden on dealers & servicemen. Unavailability of replacement parts. Delays in correcting manufacturing faults. Inadequate field-testing & inspection of products. Said Willson: "Dealers report that there are very few brands of TV sets that they would dare take to a customer's home in an unopened carton, because so many sets require servicing before installation."

(3) Dealers & servicemen vs. parts distributors. Prime gripes: Unavailability of replacement parts. Poor communications. Sales of parts by distributors to anyone, including do-it-yourself consumers & part-time, loft-type technicians.

#### Some Believe Licensing Needed

Willson noted that "many dealers & technicians have expressed the view that there is a need for the licensing of the electronics-servicing business. Those who hold this view believe that the only way to keep the incompetent & the fringe operator out of the field is to have a regulation which will require an examination to test the fitness of all who pose as qualified technicians.

"Your service industry is seriously concerned with its poor public acceptance," Willson told the EIA group, "and those who participated in our study are almost unanimous in looking to manufacturers to help them improve it. There is a strong feeling among servicemen & service dealers that manufacturers should, individually & jointly, help to create public awareness of the fact that electronics products are delicate & complex instruments requiring care & servicing; that the qualified technician must be a highly skilled artisan with years of training & experience; that he is a small businessman with a substantial capital investment in his tools, parts, trucks and equipment, and that the fees he charges must be in relation to the costs involved—including the diagnosis as well as the remedy. Many in the service industry feel that manufacturers could do more to stress the basic integrity of the majority of servicemen through appropriate educational material,

and thereby help overcome the onus of the minority which desecrates their—and your—industry."

Willson emphasized the willingness of BBB to work with EIA to improve the industry's image: "An up-to-date BBB-EIA booklet on the subject, covering perhaps the broad field of electronics-consumer products," he said, "could be useful to the dealer & serviceman in creating better public understanding about the servicing of electronics products . . . Another way in which we might help your industry to improve its public relations would be through joint sponsorship of a public-service type film about the nature of your products, their servicing, the skills & investments required, the important role the serviceman plays in the business community, and the basic integrity of the majority of them.

"The vast reservoir of public good will which the BBBs have earned," he concluded, "can be harnessed to help the service industry, at the local level as well as the national, to eliminate practices which make for bad public relations, and to follow ethical principals which will earn public respect."

\* \* \*

GE's Steven R. Mihalic was renamed EIA service committee chairman. Sylvania's E. W. Merriam continues as the committee's vice chairman.

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**Whither Canadian Electronics?** The past, present and future of Canada's \$400-million-a-year electronics industry are scrutinized by Toronto-published *The Financial Post* in a special Oct. 1 report. General conclusion: Things could be better—and may be a long time improving.

Notes the *Post*: "Canadian electronics manufacturers are experiencing a recession in sales of home entertainment products (radio & TV receivers and record players) from the peak years of 1955-56. There has also been a decline in orders for military electronic equipment. But the most hopeful areas lie in the continuing demand for communications equipment, and the ever-widening range of possible applications of electronics in business & industry."

How are electronics sales trending in Canada? The report notes these 1960 estimates (with 1959 dollar volume in parentheses): TV sales, down 18.9% (\$115.4 million); radio, down 9.5% (\$42.5 million); record players, down 6.3% (\$11.6 million); replacement parts & service, "foreign competition, particularly in tubes, is expected to result in a further reduction in 1960" from 1959's \$108-million volume. One optimistic sales trend was noted in the field of broadcast & general communications, which last year had a volume of \$34.5 million. Forecast the *Post*: "With new TV stations & expensive microwave installations under construction, look for an upturn." Canada's 1959 military-electronics volume totaled \$99.5 million; the report did not include a 1960 estimate.

Emphasized the report: "There's a great future for many phases of Canada's electronics industry. But the potential giant will take some time to grow from its present status as a \$400 million-a-year stripling."

The prescribed remedy for lagging sales: "With imports of good-quality, low-cost electronic equipment taking a major share of the market in Canada, it is inevitable that the nature of our electronics industry will change. The swing must be to low-volume, specialized equipment which can be sold in both domestic & foreign markets. Canadians have been reluctant to go after export sales for various reasons. But they are now being forced into it if they want to survive."

**Trade Personals:** Bernard H. Lippin, chmn. of Symphonic Electronic Corp., named pres. of parent Lynch Corp. . . . Reed Vail Bontecou resigns as CBS Electronics mktg. vp to take an undisclosed post with Pacific Semiconductors Inc. (Thompson Ramo Wooldridge) . . . Robison Clark, ex-Link, named Stromberg-Carlson controller . . . William G. Handfield, Philco tax counsel, appointed tax mgr. . . . John R. Siragusa named gen. sales mgr. of Admiral's new Ensign div. (production & sales of record changers, wireless remote controls, etc., to industry) . . . Philip N. Ross named a Westinghouse vp . . . John Manniello, ex-Fairchild Camera & Instrument Corp., made mktg. dir., CBS Labs.

William L. Davis named to new post of exec. vp, Emerson Electric Co. (St. Louis), also serving as gen. mgr., electronics & avionics div. . . . Richard L. White named eng-electronics & avionics div. . . . Richard L. White named engineering product mgr. Hoffman industrial products div. . . . Richard Bamberg, ex-Admiral, named to new post of corporate mktg. vp, Astro-Science Corp. . . . J. Ray Topper named product sales mgr., GE industrial & military tubes, succeeding Leo T. Bowles, now receiving tube dept. mgr. of product planning . . . Roy Juusola named to new post of mgr. of mktg. services in CBS Electronics mktg. & sales realignment which includes these other changes: Lou Niemann, dir. of govt. relations (Washington); John Hauser, gen. mgr., distributor sales; Ross Yeiter, sales mgr., semiconductors . . . Robert Laub & Jack Breakiron elected vps, Lafayette Radio Electronics.

No more Japanese-made Motorola radios—from now on the company will make all its sets in the U.S., a spokesman says. Reason given: They can now be made as cheaply in Motorola's own plants. The company will continue to use some Japanese parts in its transistor radios. Certain models had previously been imported, while other transistor sets had been made in U.S. with some Japanese parts.

Sprague Electric Co., North Adams, Mass., was founded in 1926 (as Sprague Specialties Co.) by Robert C. Sprague, who now is chairman & treasurer, not by his father, the late Frank J. Sprague, as was stated here last week in the obituary of Pres. Julian K. Sprague (Vol. 16:40 p18). The earlier Sprague Electric Co., which was founded & headed by Frank J. Sprague, was purchased by GE in 1902 and of course is in no way connected with today's company of the same name.

Jerrold Electronics Pres. Milton J. Shapp took a full page in Oct. 3 *Wall St. Journal* to announce his support of Sen. John Kennedy. Answering his own question, "Is the GOP Really the Party for Business?" Shapp wrote: "Despite the impression that the Republicans are considered the party of business, the record clearly shows that the policies of the Democratic Party create a better climate for business activity in the U.S." Shapp told us he has received more than 172,000 requests for reprints, that his mail is running 4-to-1 in support of his stand. He is planning additional ads in other papers, will distribute at his own expense 125,000 reprints to Pennsylvania business & professional men. His reason: "The world situation is such that every man—including businessmen—must support & speak up for the policies & leaders he believes in."

## Obituary

Clarence S. Tay, 72, who retired in 1955 as exec. vp of Admiral Distributors, former Admiral subsidiary, died Oct. 7 in St. Albans, Vt. He joined Admiral in 1944, after being affiliated with the former Crosley div. of Avco Mfg. Co. since 1931. He is survived by a daughter.

## Finance

**SKIATRON STOCK SALES BARRED:** Two of pay TV's most persistent promoters—Pres. Arthur Levey of Skiatron Electronics & TV Corp. and its licensee Matthew M. Fox of Skiatron of America Inc. (now Tolvision of America Inc.)—were prohibited last week from making any public sales of Skiatron stock.

This was the immediate effect of a "stop order" issued by SEC suspending a "materially misleading" stock registration statement filed with the agency Aug. 19, 1959 by Skiatron Electronics & TV (Vol. 15:34 p19). The company's pay-TV prospectus was challenged by SEC in Dec. and was subjected to protracted hearings on charges that the statement didn't comply with the Securities Act's disclosure requirements (Vol. 15:51 p20 et seq.).

Citing voluminous testimony at the hearings—and stipulations of facts signed by company lawyers—the SEC decision said there was no basis in fact for Skiatron's claims that it had favorable prospects for commercial operation of its pay-TV system early in 1960.

Most "striking" omission from the registration statement, SEC said, was Skiatron's failure to show that it lacked necessary resources—estimated at \$13 million minimum—for installation of a wire system. Moreover, SEC said, licensee Fox & his company were at least \$1 million in debt and Fox owed \$3 million to various lending agencies & individuals.

### ASE To Continue Ban

The "stop order" made it illegal for Levey or Fox to engage in any public—if not private—Skiatron stock transactions. But SEC said that its suspension of American Stock Exchange & over-the-counter trading in Skiatron, in effect since Dec., would be lifted as of Oct. 12. SEC observed that any investors could be guided by its report on Skiatron in making evaluations of Skiatron's worth. Despite SEC's permission to resume Skiatron trading, the American Stock Exchange will continue the suspension, however. ASE officials said Skiatron trading will not be permitted on the exchange again until the status of the company is cleared up.

Levey & Fox promptly issued statements professing continued confidence in Skiatron's ultimate pay-TV success.

Levey said he was pleased that SEC was permitting resumption of trading in Skiatron stock, that with "perseverance & cooperation of its stockholders" the company could proceed despite "trials & tribulations." He said Skiatron had long since agreed that its Aug. 1959 offering of 172,242 shares (30,000 owned by Levey, 125,000 covered by warrants owned by Fox) should be withdrawn.

Fox said "it is imperative" that the public understand that his new Tolvision of America has no corporate connection with Skiatron except as the licensee of the system. "I, personally, have incurred more than \$6 million in costs to complete the development and to field-test our system," he said. Fox added: "We are confident that Tolvision, generally conceded to be the best & most feasible system, will be established through private financing."

SEC's action opened the way for buyers of the unregistered Skiatron stock (at least 78,000 of the shares covered in the now-suspended registration statement were reported already sold) to sue the sellers for recovery of the purchase price. If the buyers subsequently sold the shares at a loss, they can also claim damages from the original sellers (Levey, Fox, others) and it's possible that Skiatron itself could be made liable, an SEC spokesman told us.

Among other things, the ruling served notice on bankers, factors and other lenders in the market that they can't make public sales of unregistered stock which is posted by company officers or stockholders as collateral for defaulted loans. Such Skiatron sales had been made by creditors of Fox, SEC pointed out. SEC's power to require registration of stock pledged for loans had been upheld previously by the Court of Appeals in N.Y. in the Guild Films case (Vol. 16:23 p24).

The SEC decision reviewed Skiatron's operations since the company was organized in 1948, recited its deals with Fox starting in 1954, and made such points as these:

(1) Skiatron's principal asset is the right to receive pay-TV royalties under its licensing agreement with Fox. The agreement first stipulated that the company would get 5% of gross revenues but was renegotiated to make the royalty 2½% when Skiatron shifted its plans from broadcast pay TV to a wire system to avoid FCC controls.

(2) Skiatron's patent claims, as represented in its SEC registration prospectus, were misleading. The patents aren't essential to operation of either an over-the-air or wire system, and Skiatron isn't able to show that patents ever will be issued on pending applications—or if they are, that they'd make Skiatron dominant in the pay-TV field.

(3) Neither Skiatron nor Fox had access to any sources able or willing to put up the money required to get a wire system going in a densely populated area.

(4) Potential pay-TV program sources had been contacted, but no arrangements or commitments had been made to supply Skiatron with programming. "Publicity" last year boasted that Fox had made Skiatron deals with baseball clubs on the West Coast and with theatrical impresario Sol Hurok, but Fox was in default to the club owners and Hurok had agreed only to serve as a consultant.

(5) In general, Skiatron's prospectus was faulty because it didn't disclose financial & other difficulties encountered—and still to be encountered—preparatory to any actual operations.

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Motorola's 3rd-quarter sales ran about the same as a year ago but profit was down "very slightly," according to Pres. Robert W. Galvin. He said that Motorola has revised downward its earlier estimates that 1960 sales & earnings would rise 10% from 1959. The company is now forecasting 1960 sales of \$300-to-\$310 million (vs. 1959's \$289.5 million) & earnings "slightly larger" than last year's \$14,171,237. He blamed lagging TV sales, estimated industry's 1960 wholesale sales at 5.8-to-6 million sets—down from 1959's 6.2-million volume. In August, Galvin said, the TV industry's wholesale volume dropped 30.8% below Aug. 1959. However, Motorola's volume was down only about 17%, he noted, adding: "No one knows exactly what happened. Our appraisal is that retailers built heavy inventories through special buys in the spring & early summer and these purchases did not move out as expected." Retail sales have improved in recent weeks, he said, "but it is difficult to determine how significant this upturn is."

Raytheon's Jan.-Sept. operating profit will fall below the earnings of \$2.22 a share on 3,414,292 shares (3,725,414 now outstanding) for 1959's first 3 quarters. However, points out Chmn. Charles F. Adams, earnings will be augmented by a non-recurring income of more than \$5 million (\$1:35) for helping 5 NATO nations produce the Hawk missile. This sum will be reflected in 3rd-quarter earnings, will push total Jan.-Sept. profits "considerably" above the year-ago net, Adams said.

**Record in Rectifiers:** International Rectifier Corp., which last week reported record profits of \$1.2 million on an all-time sales high of \$13.1 million for the fiscal year ended June 30 (see financial table)—increases of 34% & 21% respectively—now calls itself "the largest manufacturer of semiconductor rectifiers."

The rapidly-growing El Segundo, Cal. firm is now in a large variety of semiconductor fields, from diodes to solar cells, but has not entered the transistor field. Pres. Eric Lidow said last week that the firm's "research & development expenditure, amounting to 8% of net sales, enabled the company to develop & produce 20 complete new product lines during fiscal 1960."

Founded in 1947, the firm now has 750 employees producing more than 7,000 types of rectifiers. The company ranks itself, among the 50 U.S. semiconductor firms which compete with it in one or more lines, as follows: Largest maker of semiconductor rectifiers, accounting for about 15% of total industry sales; the major domestic producer of selenium photoelectric cells; one of the 2 principal makers of solar cells; one of the 4 largest manufacturers of Zener diodes; one of 6 manufacturers of controlled rectifiers—a product too new to develop industry sales figures.

A firm which "practically outlaws automation," International Rectifier claims to have employee benefits almost unmatched in its area. Production workers' beginning pay is \$1.40 an hour, 25% higher than the regional industry average, and workers get a 10¢ per hour yearly raise with no limitation or maximum, in addition to medical benefits, pensions, life insurance and stock options.

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Metropolitan Bestg. will produce record sales & earnings this year, Chmn.-Pres. John W. Kluge reported last week. He predicted earnings of \$1.25 a share (on 1,699,012 shares outstanding) on sales of \$40 million, compared with 1959's earnings of 91¢ (1,549,012 shares) on sales of \$14,174,487. Some \$18-to-20 million of 1960's sales will come from Metropolitan's new outdoor advertising subsidiary Foster & Kleiser, acquired last March, he added. Kluge said that Metropolitan plans to acquire 2 more TV stations to bring its total to the allowable limit of 7. Metropolitan's TV-radio properties: WNEW-TV & WNEW N.Y.; WTTG Washington, D.C.; KOVR Stockton, Cal.; WTVH Peoria; radios WHK Cleveland & WIP Philadelphia; and (in process of takeover) WTVP Decatur, Ill. and radio WRUL Scituate, Mass.

Decca Records and subsidiary Universal Pictures will report record operating profits this year, according to Milton B. Rackmil, president of both companies. He told the N.Y. Society of Security Analysts last week that Decca will report earnings of about \$4.25 a share, up from \$1.81 last year, while consolidated gross sales will rise to about \$85 million from \$79.9 million in 1959. He noted that this will mean that the profit margin will rise to 6.4% of sales from last year's 2.9% on a sales increase of about \$5 million. Universal's operational profits for the year ending Oct. 30 will rise to more than \$6 million, or about \$6.80 a share, he predicted, up from \$4,698,000 (\$5.02) in fiscal 1959. He said chances "look good" for a further increase in Decca's dividend rate next year. Its annual dividend rate was increased last June to \$1.20 a share from \$1.

Creditors of Alto Fonic Corp., Palo Alto, Cal. maker of tape recorders, met Sept. 29 in San Jose, Cal. The firm was adjudged bankrupt by federal court after filing a voluntary petition. Daniel R. Cowans, 211 Post Office Bldg., San Jose, was referee.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists	1960—year to July 2	\$ 16,296,000	\$ 1,615,538	\$ 1,204,538	\$1.33 <sup>1</sup>	895,346
	1959—year to June 27	15,365,000	(202,499)	(262,499)	—	882,799
Avco <sup>2</sup>	1960—9 mo. to Aug. 31	240,016,634	13,893,365	7,318,365	.71 <sup>1</sup>	10,314,753
	1959—9 mo. to Aug. 31	223,231,000	11,743,000	6,268,000	.61 <sup>1</sup>	10,235,353
G-L Electronics	1960—year to July 31	1,726,236	—	70,505	.15	469,758
	1959—year to July 31	1,154,967	—	89,321	.19	469,758
International Rectifier Story on p. 19.	1960—year to June 30	13,124,586 <sup>3</sup>	—	1,206,007 <sup>3</sup>	.52	2,308,804
	1959—year to June 30	10,870,038	—	877,371	.39	2,225,266
Pentron Electronics	1960—year to June 30	2,871,243	45,336	38,336	.06	810,000
	1959—year to June 30	2,720,498	(148,639)	(111,433) <sup>4</sup>	—	536,667
Polarad Electronics	1960—year to June 30	15,072,833 <sup>3</sup>	—	731,640 <sup>3</sup>	.57	1,302,542
	1959—year to June 30	11,900,206	—	475,186	.45	1,102,542
Republic Corp.	1960—39 wks. to July 30	19,946,558	3,040,294	1,340,294	.52 <sup>1</sup>	2,004,190
	1959—39 wks. to July 30	18,638,445	1,456,878	675,678	.19 <sup>1</sup>	2,004,190
Trav-Ler Radio	1960—qtr. to July 31	4,784,250	—	104,718	.12	864,911
	1959—qtr. to July 31	5,191,954	—	185,418	.22	839,155

Notes: <sup>1</sup> After preferred dividends. <sup>2</sup> Including wholly-owned subsidiary Crosley Bctg. which netted record 9-month sales & earnings. <sup>3</sup> Record. <sup>4</sup> Includes non-recurring loss of \$103,602 on disposal of inventories.

Distribution by NT&T of 844,875 shares of common stock of NTA will be made Nov. 10 to NT&T stockholders of record Oct. 14 (Vol. 16:33 p5). NT&T stockholders will receive 3 shares of NTA for each 10 shares of NT&T held. Chase Manhattan Bank, which holds NTA stock as trustee, will handle the distribution. The dividend decreases NT&T's holdings in NTA to 625,511 shares, approximately 38% of the total of 1,627,572 shares of NTA common stock to be outstanding.

Texas Research & Electronic Corp., Dallas, organized in September under Minnesota law to go into the electronics business by acquiring existing companies, plans a public stock offering of 600,000 common shares at \$1.15 per share. An SEC registration statement (File 2-17147) lists Naftalin & Co. Inc. as the underwriter. The prospectus said the new firm, headed by K. A. Fifson, had made no commitments for acquisitions and wasn't ready to commence business operations. It reported Texas Research & Electronic had \$400,000 cash on hand.

Clarostat Mfg., Dover, N.H. components maker, anticipates record sales & earnings for 1960. Pres. Victor Mucher forecasts profits of 75-to-80¢ a share (vs. 59¢ in 1959) on sales of more than \$9 million (\$8,998,941 last year). Mucher said TV, radio and sound-reproduction equipment represent the major markets for Clarostat's commercial products. Military business will account for 20-to-25% of 1960's total volume, compared with 35-to-40% last year.

## Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco .....	Q	\$0.12 1/2	Nov. 20	Oct. 28
Loral Electronics .....	Stk.	200%	Nov. 25	Nov. 2
Metropolitan Bctg. . .	—	.15	Oct. 28	Oct. 7
Movielab Film Lab A . .	—	.10	Nov. 1	Oct. 25
A. C. Nielsen .....	New	.12 1/2	Nov. 1	Oct. 13
Packard Bell .....	Q	.12 1/2	Oct. 25	Oct. 10
Sonotone .....	Q	.07	Dec. 16	Nov. 18
Trav-Ler Radio .....	Stk.	5%	Nov. 22	Nov. 7
Wurlitzer .....	—	.20	Dec. 1	Nov. 15

AT&T has filed a SEC registration covering the offering, at competitive bidding, of \$250 million of 32-year debentures. The securities will be non-callable by AT&T during the first 5 years.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 6, 1960

Electronics    TV-Radios-Appliances    Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid Asked	Stock	Bid Asked
Acoustica Associates	21 1/2 23 3/4	Maxson (W.L.)	8 3/4 9 1/2
Aerovox	8 9 1/2	Meredith Pub.	39 1/2 43 1/2
Allied Radio	20 1/2 22 1/4	Metropolitan Bctg.	17 1/2 19 1/2
Astron Corp.	2 2 1/2	Milgo Electronics	16 17 1/2
Baird Atomic	25 1/2 27 1/4	MPO Videotonics	7 1/2 8 1/2
British Industries	18 1/2 19 1/2	Narda Microwave	5 5 1/2
CGS Labs	8 10	National Co.	27 1/2 29 1/2
Control Data Corp.	39 42	Nuclear of Chicago	29 31 1/2
Cook Elec.	15 16 1/2	Official Films	2 2 1/2
Craig Systems	15 7/8 17 1/2	Pacific Automation	5 1/2 6 1/2
Dictaphone	36 1/2 39 3/8	Pacific Mercury	6 7/8 7 1/2
Digitronics	25 27 1/4	Perkin-Elmer	40 1/2 43 1/2
Eastern Ind.	12 3/8 13 1/2	Philips Lamp	167 1/2 173 1/2
Eltel-McCullough	22 1/2 23 7/8	Pyramid Electric	27 1/2 35 1/2
Elco Corp.	14 1/2 16 1/2	Radiation Inc.	19 1/2 21 1/2
Electro Instruments	20 1/2 29 3/8	Howard W. Sams	40 43 1/2
Electro Voice	10 3/4 12	Sanders Associates	24 1/2 28 1/2
Electronic Associates	25 1/4 27 1/2	Silicon Transistor	4 1/2 5 1/2
Erie Resistor	8 1/2 9 1/4	Soroban Engineering	23 1/4 25 1/2
Executive	26 1/4 28 1/2	Soundscriber	11 1/2 12 1/2
Farrington Mfg.	31 1/2 34 1/2	Speer Carbon	20 1/2 22 1/2
Fischer & Porter	17 1/2 19 1/2	Sprague Electric	48 1/2 51 1/2
FXR	41 45 1/2	Taft Bctg.	12 1/2 13 1/2
General Devices	11 1/2 12 1/2	Taylor Instrument	30 33
G-L Electronics	9 1/2 9 3/4	Technology Inst.	9 1/2 10 1/2
Granco Products	4 4 1/2	Tele-Broadcasters	1 1/2 1 5/16
Haydu	1/2 5/16	Telechrome	10 1/2 11 1/2
Hewlett-Packard	24 25 1/2	Telecomputing	6 7/8 7 1/2
High Voltage Eng.	127 138	Telemeter	11 1/2 12 1/2
Infrared Industries	17 1/2 19 1/2	Time Inc.	62 1/2 65 1/2
International Rectifier	22 1/2 24 1/2	Tracerlab	8 1/2 10
Interstate Engineering	23 24 1/2	United Artists	6 1/2 7 1/2
Itek	49 1/2 54	United Control	20 22
Jerrold	7 3/4 8 1/2	Universal Trans.	1 1/2 1 1/2
Lab for Electronics	38 1/2 41 3/8	Vitro	11 1/2 12 1/2
Lel Inc.	4 1/2 5 1/4	Vocaline	2 1/2 2 3/4
LFE Inc.	11 1/2	WJR Goodwill Station	— 10
Magna Theater	27 1/2 35 1/2	Wells-Gardner	15 1/2 16 1/2
Magnetics Inc.	9 3/4 11 1/4	Wometco Ent.	11 1/2 13

# WEEKLY Television Digest

OCTOBER 17, 1960

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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

**GOV. COLLINS TAKES NAB HELM** Jan. 4 following unanimous confirmation by Board of selection as pres. He drops all Democratic campaign assignments (p. 1).

**NAB CONFERENCE CRUSADE LAUNCHED** in Atlanta to mobilize industry for defense against continuing assaults. Political perils stressed (pp. 2 & 9).

**TV CODE PROGRESS REPORT** is made to network affiliates by NAB's E. K. Hartenbower & Clair R. McCollough who boasts that more than 70% of stations now subscribe (p. 10).

### Film & Tape

**HOLLYWOOD TALKS TO FCC.** First week of hearings brings out top film makers in discussions of their business relations with the networks & talent agencies (pp. 2 & 4).

### ETV

**ETV MAINTAINING GROWTH PACE:** may repeat 1959 figure of 10 new stations this year (p. 2).

**SURVEY OF COMMERCIAL STATIONS** shows 68% using "educational" programming, 17% of them downright academic (p. 8).

**NAEB MEETS THIS WEEK** in San Francisco with many top industry names in attendance (p. 8).

### Auxiliary Services

**HEARING ON PAY-TV TEST FIRMING UP.** with NAB the only added starter (p. 3).

### FCC

**IMPACT OF WHITESIDE ACQUITTAL UNCERTAIN,** with attorneys speculating pro & con about impact on FCC-court consideration of Miami Ch. 10 case (p. 3).

**GOV. COLLINS TAKES NAB HELM JAN. 4:** NAB's 43-member joint TV-Radio Board made it official Oct. 10 at closed Washington meeting. Selection by special 11-man nominating committee of Fla. Gov. LeRoy Collins to succeed late Harold E. Fellows as NAB pres. & chmn. was confirmed (Vol. 16:41, 39, 23).

Election of Collins was announced as unanimous—and there was no dissent reported before vote was taken at session in Statler Hilton Hotel. Under 3-year contract (\$75,000 plus \$12,500 expenses annually—same as his predecessor's arrangement, plus other unspecified fringe benefits) he'll formally take post Jan. 4 at end of 6-year term (at \$22,500 per year) in Fla.

New NAB job is "tremendous challenge," Collins said in brief acceptance speech to Board. He spent next day looking over NAB hq and talking with staffers, then returned to Tallahassee. NAB had hoped Collins would drop in on fall conferences starting last week in Atlanta (pp. 2 & 9) for get-acquainted visits with members. But he told us he'd be unable to attend any. "I've got a lot of work to do yet back home," he said.

"I am happy & proud to join the industry," Collins told us. As for his concept of NAB leadership, he said he'd try to do what Fellows did as administrator & TV-radio ambassador. He begged off discussing specifics of industry problems and his hopes & plans for resolving them. "I'll have to be very general about them now," he said. "I haven't had the time to do the research necessary." Collins indicated he'd put in much home work on his new assignment between now & January.

"I think the greatness of the broadcasting industry and of America are inseparable," Collins said.

### Programming

**DEBATES CONTINUE TO DRAW** large audiences, although the 2nd & 3rd shows haven't done as well as the Sept. 26 kickoff (p. 13). **L.A. STATIONS SAY** post-1948s too expensive; they're not rushing to buy (p. 14).

**TIO'S NEW BOOK,** "Interaction," profiles more than 1,000 locally-produced public-affairs shows with an aim to providing stations with new ideas & formats (p. 15).

### Consumer Electronics

**IMPROVEMENT IN TV MARKET** noted: Sept. retail sales below last year, but decline is less than in August; distributor sales pick up; production cuts trim inventory (p. 17).

**"GOOD STEREO" DEFINED** in listener tests by Bell Labs & RCA Labs. Important directional effect reported at low frequencies, jarring widely held stereo theories (p. 17).

**NSRC COMPLETES WORK** on FM stereo systems as field-test panel makes report on measurements. Chmn. Walker predicts good stereo radio, inexpensive sets (p. 18).

**JAPANESE ELECTRONICS EXPORTS** to U.S. totaled \$38.7 million in first 6 months of year, up 75% from 1959 period; official breakdown by product category (p. 19).

### Finance

**GE SALES & PROFITS DROP** in 1960's first 9 months & 3rd quarter; Chmn. Cordiner forecasts downbeat 4th quarter, notes GE's increasing electronics emphasis (p. 22).

### Other Departments

**NETWORKS** (p. 11). **Advertising** (p. 12). **CONGRESS** (p. 15). **PERSONALS** (p. 16). **FINANCE** (p. 20). **TECHNOLOGY** (p. 24).

speaking generally of NAB's present & future as he sees them. "No industry has a greater potential for advancing & enriching our free enterprise system than broadcasting in all its phases & media.

"It will certainly be my purpose as president, working with those in the industry, further to strengthen the industry from within and to protect it from any effort—from any quarter—to weaken the basic principles which are essential to its progress."

All public partisan political activities by Collins, including his chairmanship of Democratic National Committee's Speaker's Bureau, were dropped by him immediately after his NAB election. He had been in great demand as campaign speaker for Kennedy-Johnson ticket.

Collins said he had no more political plans for himself: "When I take office in January my work for the industry will be my sole ambition, and to this end I will dedicate all my energies & abilities."

NAB staffers were put at ease by Collins during his hq tour. "I've been impressed with the high caliber of the present staff of NAB and I greatly appreciate the warm spirit of cooperation which the Board has so generously & enthusiastically offered," he said before he left for Tallahassee. Collins added that he didn't "foreclose" possibility of staff revamping after he takes office, but that he had no ideas for any changes now.

Interregnum administration of NAB will continue under direction of Clair R. McCollough's Policy Committee until Collins takes over, with NAB secy.-treas. Everett E. Revercomb as acting hq administrator.

**HOLLYWOOD TALKS TO FCC:** The first week's hearing by FCC on TV-film industry practices in Los Angeles (Vol. 16:41 p10) saw participation by a number of top executives. While their testimony differed, a clear pattern of network & talent-agency domination emerged. Highlights:

Networks have increased their financial participation in TV film series, as well as their control of content of programs.

MCA and William Morris, the 2 giant talent agencies, wield powerful influence over the industry, acting in the dual capacities of talent agents & sales agents.

Individual TV stations, held responsible for programming under the law, have no influence whatsoever on content of TV film, which today forms a large bulk of programming.

At the half-way mark, first full-scale investigation into TV film indicated that TV-film producers have little chance of survival unless they are linked with network or one of the giant agencies. (Details on p. 4.)

**ETV MAINTAINING GROWTH PACE:** ETV may repeat its 10 new-stations 1959 record and wind up 1960 with on-air total of 55 non-commercial outlets (including 17 uhf) if following meet their target dates: KTPS (Ch. 62) Tacoma, Wash., with fall target; KCSD-TV (Ch. 19) Kansas City, Dec. 15; WIPM-TV (Ch. 3) Mayaguez, P.R., Dec. This would leave but 15 CPs outstanding for the educators—7 of them uhfs in New York state where the legislature has consistently refused to appropriate funds for construction.

Here's yearly record for ETV since lifting of the freeze: 2 ETV stations started in 1953 vs. 229 commercial outlets; 10 in 1954 vs. 91 commercial; 7 in 1955 vs. 52; 4 in 1956 vs. 40; 6 in 1957 vs. 34; 8 in 1958 vs. 28; 10 in 1959 vs. 14; 7 thus far in 1960 vs. 12. These figures add up to 2 more than the 52 ETV outlets now on air, because they include KTHE (Ch. 28) Los Angeles, which left air in Sept. 1954 and WKAR-TV (Ch. 60) East Lansing, Mich., which left air in June 1958. (For news about upcoming commercial stations, see page 11.)

**PROBLEMS, POLITICS, PEOPLE, PROFITS:** NAB's hq staff went on road last week at start of 7-week 8-city tour of country, carrying the evangelistic message to broadcasters (who never have had it so rough) that they can & must make TV & radio look better.

This was earnest theme of NAB preachers at opening of annual series of fall conferences (Vol. 16:41 p8) in Atlanta, where industry leaders joined staffers to conduct 2 days of TV, radio and joint seminars for 209 executives from stations in Southeast. (For details see p. 9).

Year of industry scandals & narrow escapes from drastic govt. crackdowns was reviewed somberly by conference speakers whose major topics were billed as "Broadcasters & Politics" and "People—and Profits." They agreed that salvation in year ahead under new NAB Pres. LeRoy Collins (see p. 1) depends not only on better medium salesmanship but on greater devotion to public interest—and to industry's self-regulating, self-preserving TV & Radio Codes.

"If we are to stand together as an industry—protect our freedom & move forward to greater responsibility & greater stature—all segments of the industry must work together," keynoted NAB industry affairs vp Howard H. Bell.

"We must make these Codes work," said NAB Policy Committee member G. Richard Shafto (WIS-TV & WIS Columbia, S.C.), listing industry objectives under them: "Freedom from artificial controls. Freedom to perform in direct response to the temperaments of our own audiences. Freedom to serve our advertisers efficiently. Freedom to be creative & enterprising and to enjoy the rewards of initiative."

Broadcasting's full attainment of these aims will come only after TV & radio achieve "industrywide posture" which commands fuller respect of Congress, FCC and public alike, Shafto said in speech which summed up industry's year of tribulation—and NAB conference pleadings.

Note: Jim Southerland, administrative asst. to Gov. Collins, attended Atlanta sessions as observer.

**HEARING ON PAY-TV TEST FIRMING UP:** NAB is the only new starter in FCC's Oct. 24-28 hearing on RKO-Zenith's proposed Hartford pay-TV test. FCC had already indicated applicant Hartford Phonevision Co. and its theater-identified opponents would be parties. For legally technical reasons, Zenith itself & its affiliated TV Entertainment Co. (Teco) also filed. None of the parties is saying who it will present as witnesses. NAB Board on Oct. 10 "reaffirmed the NAB's position against the use of the air waves for pay TV."

It looks as if Commission will go at least part way to assure theater groups that they can explore programming issue in cross-examination. Exhibitors had asked for "clarification" and a new issue on programming to be added to the proceeding (Vol. 16:41 p10). Commission counsel Louis Stephens recommended clarification but no new issue—and FCC is expected to follow his suggestions.

Stephens said that "the present issues amply cover appropriate inquiry into the applicant's programming plans." On one hand, he noted, FCC recognizes that the applicant may not be able to furnish minute detail because it's unable to form firm programming commitments until FCC gives it a go-ahead. However, Stephens went on, FCC expects programming plans "to the fullest extent possible in the circumstances."

Earlier in week, Hartford Phonevision Co. had told Commission it's impossible to supply exact detail. "Until applicant has the authority to proceed," it said, "and is placed in the position of seriously negotiating for program product and is able to bind itself to exhibit the product it seeks, it cannot be certain as to the specific programs it will be able to procure."

As if to emphasize its seriousness, Zenith's Teco announced appointment of noted theater & movie producer Leland Hayward as dir. of its programming activities. His current Broadway hits are "The Sound of Music" & "Gypsy." He said pay TV will give entertainment largest boxoffice ever—and he wants to join up.

In general, press, which is frequently pro-pay, is beginning to stir again with toll-TV stories. Oct. 9 "Parade" reports on Toronto cable experiment, concludes people are delighted with it—particularly because it's commercial-less. Nov. "Pageant" calls Telemeter "a thumping success," concludes: "For most thoughtful Americans, the shining promise of pay TV is that it will raise the whole level of TV viewing." Rash of similar articles can be anticipated, stimulated by forthcoming FCC hearing.

And in Britain, new firm, British Home Entertainment Ltd., headed by Gen. Slim, wants nation's 3rd network to be a pay system.

**IMPACT OF WHITESIDE ACQUITTAL UNCERTAIN:** With Thurman Whiteside cleared by a Washington jury last week of all charges of conspiracy & corruption in connection with ex-Comr. Richard Mack's vote for National Airlines' WPST-TV (Ch. 10) Miami, speculation is now wide open on fate of Ch. 10 case in courts & before FCC.

Lawyers run whole gamut of views—from "this changes the whole picture" to "no effect at all." Counsel for the 2 parties most concerned—WPST-TV and L. B. Wilson Inc. (to which FCC awarded Ch. 10)—are cautious. Norman Jorgensen, for former, said: "It certainly puts a different atmosphere over the situation." Robert Marmet, for latter, stated: "The 2 cases—the Mack-Whiteside trial & the FCC-court proceeding—are completely different proceedings. We couldn't & wouldn't comment on the verdict."

There's strong agreement that legal problems of Mack are over. No one can visualize govt. attempting to bring him to trial now.

Judge Holtzoff's 1-hour charge to jury put their job in very simple terms. The only thing they had to decide, he said, was whether Whiteside's gifts or loans of money to Mack were ordinary loans or bribes to get Mack's vote for National Airlines. And when jury returned verdict after 4 hours, he said that its decision was "entirely reasonable" and that he would have reached same conclusion.

Charges of conspiracy & corruption have not been involved in FCC & court consideration of Ch. 10 case. Question is whether parties made off-the-record pitches to Mack & others. FCC decided that 3 parties did, gave Ch. 10 to L. B. Wilson Inc. (Vol. 16:29 p1). Losers have been challenging decision in courts ever since.

Whiteside trial lasted only 8 days, contrasted with the 14 weeks of first trial, which resulted in hung jury split 11-to-1 in favor of conviction (Vol. 15:28 p5). A surprise in 2nd trial was fact that Whiteside testified; he didn't in first trial.

Whiteside's points: (1) He had no agreement with Mack on Ch. 10, had never tried to persuade him. (2) He offered character references for some of WPST-TV's backers, but had no financial interest in Ch. 10 application and was paid nothing for the references. (3) He had loaned thousands of dollars to Mack, starting long before Mack joined FCC, and virtually all has been repaid. (4) He cautioned Mack (who had "personal problems, individual & domestic") not to take FCC job in 1955.

Earlier in week, 2 court-appointed Ft. Lauderdale physicians had advised Judge Holtzoff that the hospitalized Mack was too ill to stand trial, reporting that he suffered from cirrhosis of the liver & malnourishment, probably has anemia—stemming from alcoholism. They said he had drunk half-pint to pint of liquor daily for years. The judge commented that "Mack's condition is self-inflicted," but didn't issue bench warrant sought by govt. attorneys. After last week's verdict, prosecutor Oliver Dibble said he didn't know what effect the decision would have on Mack's situation.

Whiteside & his wife broke into tears and embraced after hearing verdict—and defense counsel Richard Hunt exclaimed: "Thank God for a fair judge and jury."

## Film & Tape

### More about

**FCC's ADVENTURES IN HOLLYWOOD:** An impressive array of Hollywood's top-echelon TV film executives began testifying last week before the FCC in the Commission's first comprehensive inquiry into the fast-growing film industry (see p. 2).

Under the questioning of FCC attorneys Ashbrook Bryant & James Tierney, the witnesses in a courtroom on the 16th floor of the Federal Bldg. in Los Angeles, officially confirmed under oath what has long been suspected—that the networks are increasing their control over the industry, and that MCA and the William Morris agency are all-powerful forces in it.

Some producers (such as Ozzie Nelson) flatly expressed the hope that the government would not interfere in the industry's operations. Some denied that they were subject to sponsor interference as to content—but others admitted they were. All said they were opposed to excessive violence & crime in TV, but chief hearing examiner James D. Cunningham appeared skeptical that sufficient steps were being taken to eliminate them.

Executives readily admitted the existence of trade deals (e.g. a car manufacturer provides autos, in return for which they are used in films), but all expressed opposition to a policy of "sneak" plugs for identifiable props or brand names, either visual or in the scripts.

But FCC's most intensive quizzing sought to determine the extent to which networks participate in the content-determination and profits of film series, and the influence of the 2 top talent agencies.

Four Star Television Pres. Dick Powell testified that CBS-TV has a 50% interest in the profits of *Wanted—Dead or Alive*, although it did not finance the pilot. This entitles the network to a split of the merchandising, syndication, foreign rights, etc. Asked by Bryant why the network got such a piece, Powell explained that it had originally bought 26 films in the series, that it took "considerable risk" before finding a sponsor, and that the deal involved a "considerable" sum of money. "We felt it was a good business decision," Powell said. He denied that the profit-sharing had anything to do with the series getting on the network.

CBS-TV also has a participation deal in Four Star's *Trackdown* "approximately the same," said Powell—also has a piece of Four Star's *Richard Diamond, Private Detective*, for which Four Star financed the pilot. *Diamond*, which began on CBS-TV, was later sold to NBC-TV and that network too gets a small percentage of its profits. Four Star financed the pilot of its *Robert Taylor's The Detectives*, and ABC-TV has a "very small" profit participation. Quizzed as to why they allowed the network a piece of a series featuring a movie star ("which should have been easy to sell"), Powell pointed out that many movie-star pilots have not sold.

NBC-TV has first negotiation rights for syndication on Four Star's *Dante*. Four Star financed the pilot of *The Tom Ewell Show*, but CBS-TV gets a "minor" percentage of profits. NBC-TV, which financed the pilot of *Michael Shayne*, has a financial interest in the show, an across-the-board arrangement on profits. ABC-TV, which financed the *Stagecoach West* pilot, has a participation in profits involving syndication rights. Four Star financed the pilot of *The Westerner*, but NBC-TV has a percentage of the

syndication & merchandising. ABC-TV, financing 4 of *The Corrupters* episodes, has a "small" profit participation deal & first rights to negatives for syndication.

Bryant then asked Powell why deals are made which give the network valuable syndication rights. Replied Powell: "We would prefer to retain them [but] it's good business to give away those rights in order to sell the series at all." CBS-TV has distribution rights to Four Stars' *Trackdown*, some of the *Diamond* segments and *Wanted*, he said. NBC-TV has a "small" percentage of profits on Four Star's *The Plainsman*, and control of syndication, although Four Star financed the pilot.

Powell estimated that distribution fees range from 35-to-50%. He testified that the Morris Agency is Four Star's sales agent, and receives 10% of gross revenue of TV sales as its commission. The commission includes syndication & merchandising in some areas, he added. Powell said Four Star had no series at the time it signed Morris as exclusive sales agent 4 years ago. Today the company has 12—and a 13th scheduled.

Bryant asked whether MCA, which owns Revue Studios, makes its top talent available to Four Star. Powell replied that he didn't know specifically. He recalled that Four Star had planned a series with MCA client Joan Crawford, that Miss Crawford told him she wanted to do the series, but that ultimately she did not. "Later I was told MCA had persuaded her not to do it. I was told that Revue was going to need Miss Crawford, and therefore we couldn't use her," commented Powell.

Powell told of Four Star's trade deal with Ford, which supplies cars to be used in their films. On another subject, when the film maker said that Four Star was against excessive violence, examiner Cunningham asked about its Westerns. Replied Powell: "In *Rifleman*, the Bible is quoted more than in any other series. Westerns are different from contemporary violence. They're historic and they deal in Western lore."

On sponsorship influence, Powell & his vp, Tom McDermott, said final decision on a show's contents is made collectively by the sponsor, producer and star.

#### Cooper on MCA & Wm. Morris

MCA and William Morris were the targets of Frank Cooper Associates Pres. Cooper. He asserted that the preponderance of top TV talent is represented by these 2 agencies. He added that MCA's ownership of Revue and WM's contract as sales agent for Four Star make it impossible for him to sell packages to those companies.

Cooper told of how he had represented *The Real McCoys* during its inception. When creator-owner-producer Irving Pincus wanted Walter Brennan for the series, he went to WM, the actor's agent. "Pincus then told me he could get Brennan—but only if WM were to act as sales agent. They subsequently took over the package, and got 10% off the top (of the gross revenue)," he said.

Cooper said the influence of the big agencies is such that they often sign talent originally developed by smaller agencies. Examples: Frank Sinatra, who went from GAC to MCA (he has since joined & left WM); Dinah Shore, from GAC to WM; Alan Young, from Cooper to Morris.

Cooper told how his agency had created *The Lineup*—which, "although a hit, had a substantial loss, which was sustained by CBS-TV, which bought it. It's recouping slowly its capital loss, but it will be a considerable time before CBS-TV is ahead," he said. Cooper receives a royalty & share of profits.

Ozzie Nelson, pres., Stage 5 Productions, testified that his series, *The Adventures of Ozzie and Harriet*, is fi-

nanced by ABC-TV, and that MCA is his agent. MCA also has a sales agent contract with ABC-TV on the series, and ABC-TV has a 40% interest in the show.

Nelson said he controls the artistic factors of the series, but that he consults with ABC-TV & the sponsors on policy. He thought there was too much criticism of sponsors in TV, terming it "hogwash." He said sponsors & agencies did not interfere with him, that he was always guided by taste & common sense. "The things you can't do on TV are the things you don't want to do," he stated.

#### Ozzie Nelson on Trade Deals

The producer-actor conceded his family-type show was "basically non-objectionable to the point of being cowardly . . . If somebody wants no trouble, he comes to our show—although I don't think it is bland." Asked about trade deals, Nelson commented that Representatives and Senators make use of such deals themselves during political conventions—a remark which brought on so much laughter that Cunningham rapped his gavel for order. Stage 5 has a trade deal with Chrysler.

Nelson said he thought TV was doing a good job of policing itself, and that it has the best built-in control—"If the public doesn't like your show, it turns you off." He labeled groups protesting TV's programs unrealistic although well-intentioned. "The danger of such groups is that they may try to foist on the public things it doesn't want," Nelson thought.

Toreto Films Inc. Pres. Loretta Young said she became interested in starring on TV in 1950, and so notified her talent representative, the Morris Agency. When nothing happened after a year or two, she & her husband, Tom Lewis, developed a series script which WM sold to NBC-TV. That network financed the pilot, participated in the profits, and bought syndication rights last year. For having sold the show, WM gets 10% on all the Young films, although NBC-TV now owns the series.

Miss Young, outspoken against TV violence, said her show seeks to make a sociological or moral point although it also has lighter, frothy episodes. She retains creative control of her scripts, has discussed only 2 scripts with sponsors in 8 years. Last year ex-sponsor P&G told her it had received a great deal of mail "suggesting" she was "much too Catholic" in her presentations, and that many non-Catholics objected to her views on divorce & suicide. "I wouldn't change it because I am what I am. There are many groups of writing clubs," she said. The star added that P&G also wanted to move the show to a different time slot. She refused, and that ended their relationship.

#### Levathes on Film Costs

Peter G. Levathes, pres. of Twentieth Century-Fox TV, commented: "TV is derived from radio and inherited many of its artificialities—such as a precise length." He estimated a half-hour pilot cost \$50-to-75,000 or more; a 60-min. pilot \$135-to-140,000, "sometimes more;" That an average half-hour episode costs \$40-to-60,000; and an average hour \$85-to-140,000.

Networks finance pilots in return for an interest in the series, Levathes explained. Such interests vary, and sometimes are in perpetuity. ABC-TV has a percentage-of-profits interest in *Hong Kong*, of which it financed the pilot. It also has a "substantial" interest in *Adventures in Paradise*, although no pilot was involved. NBC-TV had an interest in the now-defunct *5 Fingers*, the executive said. ABC-TV originally had bought only 5 segments of *Paradise*, later expanded the order to 26. In answer to a question, Levathes said that a network's participation in a series does not affect its judgment as to the show going on

the aid. He added, incidentally, that contracts for *Paradise* aren't signed yet.

Networks want good shows, and to buy a series simply because of participation deals would be damaging, said Levathes. Asked why ABC-TV holds an interest in *Paradise*, he replied: "Such an undertaking is an enormous risk, involving \$11-to-12 million." When Bryant quickly questioned this figure, Levathes explained that an hour of prime network time costs \$110,000, the show costs the same—which comes to \$220,000 for one segment's time & cost.

Levathes said economics have caused the increase in network ownership of shows, time & production costs being so "very, very high" in the last few years. Formerly a sponsor could pay for a half-hour show—and that was that. As prices went up, the pattern changed to alternate sponsors, and today spot participations are commonplace, because this "dilutes the risk."

Levathes said the trend toward network participation in profits extends to 30-min. as well as 60-min. shows, and for the same reason. As did other executives, Levathes said costs are rarely recovered by a show's first run.

The Morris Agency is no longer the sales agent for 20th Century-Fox, he said. During the time it represented TCF, WM received a perpetual 10% commission on its packages for TCF, such as *Paradise* and *5 Fingers*.

Other Levathes points: Sponsors have control on matters of taste & policy, but not of artistic content. Twentieth has a trade deal with Chrysler. On violence—one writer conceived a story in which someone was beaten to death with a bowling ball. "We changed it to something more conventional."

#### The Screen Gems Story

Screen Gems' William Dozier, vp in charge of West Coast activities, said NBC-TV financed the pilot of *Dan Raven*. Its deal includes participation in profits all down the line, including syndication & merchandising. He said such deals with networks vary from 20-to-50%.

SG financed the pilot of *Route 66*, now on CBS-TV. That network has a "relatively minor" participation—much less than 50%—and only for network & first syndication runs," said Dozier. Asked why CBS-TV holds an interest although it did not finance the pilot, Dozier explained "they took a very large-sized gamble when they ordered 26 shows at \$125,000 a show." Like other witnesses, Dozier said networks do not ask sponsors to pay more for a show than it costs.

SG is no longer making package deals with Morris or MCA, Dozier said. However, components of packages are available from the agencies, he added. Asked if MCA charges SG more for talent it represents than it does when the same talent works for Revue, Dozier said: "No. We know what prices stars get wherever they work."

Networks have become much more vigilant in exercising control over content involving crime & violence, Dozier thought. As for sponsor influence, he admitted the ad agency won policy arguments, but SG had the last word in areas of dramatic material. The vp introduced several lists of sponsor restrictions.

On another matter, he said there was no relationship to being on a network and granting it an interest in the series. He also thought the foreign market was expanding and would be valuable eventually—a view expressed by several other witnesses.

SG has trade deals for Ford cars, Kleenex, milk bottles, washing machines, Coca Cola, pots & pans, soap flakes, swim suits, and others.

Dozier testified to the growing tendency on the part of top writers & actors for participation deals, commenting: "That's the only way they can develop what they call 'keeping money' under the tax structure."

MGM-TV vp George Shupert testified to NBC-TV's profit participation in that studio's *National Velvet*. Rexall Drug financed the pilot, but when it couldn't find an alternate sponsor, sold it to NBC-TV, which consequently has an across-the-board participation.

ABC-TV has a profit participation in *The Islanders*, for which it financed the pilot. MGM-TV retains artistic control in both series, said Shupert.

MGM-TV does not seek series provided by talent agencies, relying instead on its own creative staff, which is now developing 14 new shows.

Shupert said he thought it "more intelligent" to develop a show with network interest & financing. In this way the network has more of an interest in the project, and MGM-TV can use the money it would invest in pilots and invest it instead in creative talent to develop new projects, he argued.

MGM-TV has a trade deal with General Motors on *Islanders*. When Cunningham questioned Shupert sharply regarding excessive violence in over-all programming, the executive retorted that this was beyond his ken & responsibility, that total programming was a network problem.

#### The Warner Bros. Story

Warner Bros. vp & exec. TV producer William Orr testified that WB has a merchandising dept. dealing in various items associated with its series, but its income is less than 1% of the over-all TV operation.

Orr said Warners has no exclusive contract with ABC-TV (on which all of its series are seen), but that it has been in negotiation with all the networks. "We like the way they (ABC) do business," he commented.

ABC-TV shares in merchandising & syndication rights on all of its series except *Cheyenne* and *Bugs Bunny*, said Orr. ABC-TV has "cutback" rights, meaning that it may reduce a commitment from 39 to 26 segments at certain contractual dates.

ABC-TV needs not air pilots that it has financed, as demonstrated by past instances, Orr testified. Warners retains creative control subject to conformance with ABC-TV's continuity-acceptance dept. regulations. "We're mindful of advertisers, but not obligated to them," said Orr.

Orr said Warners does not allow ad agency representatives on its sets and that it will not be subject to the "arbitrary" decisions of others. He said he has never seen a list of sponsor taboos, but added the studio consults with ABC-TV on scripts, and distributes them to ad agencies involved. When one cigaret sponsor objected to a drama in which the lead said "I never drink, smoke, or go out with girls," that was changed for policy reason.

ABC-TV has financed the pilot of *Maverick*, *Sugarfoot* and *Room for One More*. Orr said Warners has a policy against outside packages, hence has no such dealings with Morris and MCA.

Other witnesses included Screen Actors Guild national exec. dir. John L. Dales and his asst., Chet Migden, Don Fedderson, Don Sharpe and James Schulke, the latter vp of Paramount Television.

The SAG executives told of granting MCA a contingent waiver in 1952 to allow it to be both a TV film producer, through its Revue subsidiary, and a talent agent. MCA's waiver was granted on a conditional basis under which the agency agreed not to collect any commission from actors under representation contract to MCA if they were to be

used in a Revue film or any other production in which MCA had more than a 10% interest.

Figures were presented showing that the Morris Agency represents 635 actors, MCA 544.

Fedderson testified that neither MCA nor the Morris Agency exerted any pressure regarding talent for his series. Sharpe testified that ABC-TV held a 50% & profit-participation on *Wire Service*, which he originated. Schulke said his firm was committed entirely to tape operations.

Network executives were interested ringside observers during each day of the hearings, which will continue through this week.

#### More Due This Week

Called to testify for the second & last round this week: Frank Capra, pres. of Directors Guild of America; Philip Feldman, ex-CBS-TV; Al Scalpone, ex-West Coast program vp for CBS-TV; Richard Jencks, pres. of the Alliance of Television Film Producers; Edward Bronson, director of TV Code for NAB; Frank Morris, in charge of NAB TV Code office in Hollywood; Revue Studios Pres. Taft Schreiber; Sam Weisbrod, William Morris Agency TV executive. Others may also be called.

Desi Arnaz testified that in 1954 he & Lucy sold 24% interest in Desilu to CBS-TV for \$1 million "because we needed the money." He said CBS agreed to give Desilu below-the-line production deals for 5 years on network series. As a result, Desilu filmed *The Lineup* and *Our Miss Brooks* for the network. In 1957, Desilu bought the 24% back from CBS-TV.

CBS-TV has a profit-sharing interest in 13 hour-long *Lucille Ball-Desi Arnaz* shows, Desilu owning 61.3% and the network 33%, Desi testified.

CBS-TV has syndication & foreign rights to these shows, but Desilu has the right of sponsor approval.

The Morris Agency received 10% commission for packaging & selling *The Ann Sothern Show*, for which Desilu financed the pilot. The Morris office also received a 10% commission for selling Desilu's *Guestward Ho!* series.

ABC-TV has a profit-participation deal on *The Untouchables*, although there was no pilot on this series.

Arnaz explained that ABC-TV, for an across-the-board participation deal, gave Desilu a commitment on 26 episodes involving about \$3 million. ABC-TV has first refusal on syndication rights. ABC-TV also has a participation of profits on *Harrigan & Son* and *Guestward Ho!*

#### Data on The Untouchables

Arnaz said production companies often fail to recoup their investment on first run and look to residuals to recoup. Asked Bryant: "Then why are you willing to share these rights with the networks?" Answer: "We do it because they finance the pilots."

Asker about sponsor influence, Arnaz said, Desilu retains creative control. Regarding *The Untouchables*, he said he did not believe it had "unnecessary" violence. Asked by Cunningham if crime shows weren't more lucrative, Arnaz answered: "We went over budget on *The Untouchables*."

Cunningham said FCC does not attempt to exercise judgment as to whether programs are good or bad, but instead seeks to evaluate over-all program operation.

Writers Guild of America West Pres. Curtis Kenyon estimated in his testimony that MCA represents 20% of all TV writers who have agents, while the Morris Agency and Famous Artists each represent 14-to-18%.

## Auxiliary Services

**TelePrompTer's Pay-TV Plans:** Progress on an all-electronic central-source billing system has persuaded TelePrompTer to by-pass its proposed interim "tape-on-the-pole" system of cable pay TV (Vol. 16:26 p4), according to Pres. Irving Kahn.

TelePrompTer had planned to start the operation with its Liberal, Kan. CATV system within 2-to-4 months of its announcement last June, Kahn said, but the central-source concept is so superior that the beginning has been delayed. The interim proposal had called for tape-recording mechanisms on the utility poles nearest subscribers' homes. The tapes would tally pay-TV program usage; servicemen would collect the tapes periodically, run them through a computer, send bills.

"We're now making final tests of the electronic system," Kahn said, "and we hope to get going before long. Sylvania is producing some of the equipment."

The firm is negotiating for the purchase of additional CATV systems, Kahn said, and hopes to close some deals soon. The last purchase was Abar TV Cable Co., Eugene, Ore., which has approximately 5,000 subscribers (Vol. 16:35 p6). TelePrompTer's other systems are in Silver City & Farmington, N.M., Rawlins, Wyo. & Liberal.

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First applications for new vhf translators were received by FCC last week—from the Mexican Hat Assn., Mexican Hat, Utah. Two 10-watt units are proposed—Ch. 3 & Ch. 13—to repeat KGGM-TV (Ch. 13) & KOB-TV (Ch. 4) Albuquerque. They've been assigned file numbers BPTTV-1 & BPTTV-2. These are to be distinguished from "vhf repeaters," the name the Commission has given to those previously illegal units which are required to file applications for special temporary authority to continue as is—until they comply with new translator rules. When a "repeater" complies, it will become a "translator." Meanwhile, the Commission granted 2 more vhf translators: Ch. 70 & Ch. 80, Moorefield, W. Va., to repeat WTOP-TV Washington & WJAC-TV Johnstown, Pa.

Large-screen color is now being offered by Theatre Network TV, which has purchased 37 color projectors from RCA. Pres. Nathan L. Halpern said that research has shown that best-quality color pictures can be obtained with the projectors in the 26-to-50 sq. ft. range. They will be used for the first time in a series of sales meetings beginning Oct. 24 sponsored by Celanese Corp. of America.

Road construction is being TV-supervised by a closed-circuit remote-control camera mounted on the roof of a 5-story building in N.Y. The manager of the project gets a bird's-eye-view of construction maneuvers without leaving his desk and, using 2-way radio, keeps the job running smoothly.

National Community TV Assn.'s presidential selection committee is ready to recommend a man to its board at the Oct. 20 meeting in Denver, but his identity is still concealed. It's understood that he's in private industry at a substantial salary, although presumably not getting the \$30,000-plus talked about for the NCTA job.

First uhf on-channel booster granted by FCC under its new rules (Vol. 16:22 p6) was authorized to WINR-TV (Ch. 40) Binghamton, N.Y. The purpose of the boosters is to fill in weak-signal spots in parent stations' areas.

Translator starts: K70BT Santa Rosa, N.M. started Sept. 1 with KOB-TV Albuquerque • K74BC Lihue, Hawaii started Sept. 18, owned by KHVH-TV Honolulu.

## Educational Television

**COMMERCIAL STATIONS' ETV:** Two out of every 3 commercial TV stations (68%) which responded to our recent mail survey told us that they are presently scheduling local public-affairs programming in the "educational" category. Of this group, about one in 4 produces purely academic local ETV programs in association with colleges, secondary schools and ETV groups.

The replies came from a cross-section of stations (approximately 15 out of every 100) in large & small markets in all areas of the U.S. & Canada.

Clear-cut ETV projects are aired by 17% of our respondents. Reported a San Diego station: "While ratings for our ETV program have left something to be desired, local reaction has been extremely gratifying." Subjects range the educational curriculum: math, science, English, history, etc. WMBD-TV Peoria, Ill. telecasts "Sunrise Seminar" with Bradley U. on a regular Mon.-Fri. basis; college credits may be obtained if viewers pay a fee & take examinations. KREM-TV Spokane, Wash. wakes up viewers with "Guten Morgen," an early-a.m. German class offered for credit. WECT Wilmington, N.C. produces credit courses in diverse subjects all week in cooperation with U. of North Carolina at Chapel Hill. KCMO-TV Kansas City, Mo. has an in-school noontime viewing project, "Teleschool," produced with the Kansas City Board of Education.

Other scholastic courses on commercial outlets cited in our survey: WNHC-TV New Haven, Conn. has aired "Yale Reports," 3 specials produced on the basis of faculty lectures. WSVA-TV Harrisonburg, Va. offers a Bible course for credit with the cooperation of American U. in Washington. And WPIX New York has one of the most ambitious ETV programs, giving the entire school day (10 a.m.-3 p.m.) to the N.Y. State Regents project for in-school teaching programs on a wide variety of subjects.

### Local & State Problems Often Treated

Locally-produced information shows—the most common type of educational programming on local commercial outlets—deal with everything from Communism to sexual deviation, but community & state problems are among the more common issues tackled. Some samples: WVEC-TV Norfolk-Hampton, Va. recently produced a series, *Dick Mansfield Reports*, aimed at educating viewers on such issues as the retail sale of alcoholic beverages and the state's tax structure. WHEN-TV Syracuse, N.Y. is concerned with area education in its series, *One O'clock Scholar*, based on activities & advancements in schools & colleges. CFCL-TV Timmins, Ont. presents *Canadians All*, which features the art, music, theater and cultural patterns of ethnic groups of northern Ontario.

KRCA Los Angeles has highlighted state affairs in its *California Report*: California voting trends, hospital conditions, amusement centers, traffic problems. WABC-TV N.Y. recently launched *Youth Project* in cooperation with the President's Youth Fitness Council to present informational, educational & cultural programming for young viewers in that area.

Horizons extend beyond purely local or regional issues—to a diversity of national, international and historical subjects. WCAU-TV Philadelphia dealt recently with the problem of sexual deviates in a 60-min. documentary study, "The Sex Offender: A Study in Violence." The project was aimed at encouraging the Philadelphia General Hospital to institute special study of the problem & its treatment.

WPTA Ft. Wayne, Ind. recently presented a series, *Communism Looks at Youth*, to help young people combat the ideological force & its methods of infiltration. WSFA-TV Montgomery, Ala. gave local legal angles to a topic of general interest in "It's The Law," produced in cooperation with the Montgomery Bar Assn., providing locally-slanted information about legal cases & practices.

"Cultural" programming was labeled by 15.4% of respondent stations as their most successful local educational fare. Notable examples: WMAR-TV Baltimore's series about Shakespeare in cooperation with the public schools, and culminating with telecasts of the Laurence Olivier feature productions of "Richard III" and "Hamlet." WROC-TV Rochester, N.Y. cooperated with Rochester U.'s Eastman School of Music to produce a stereo simulcast of the school's symphony orchestra live from the stage of the Eastman Theater. WWLP Springfield, Mass. has fostered art & music in its area with "Around Our Town," presenting TV visits to local music groups, art galleries and museums. WEHT Evansville, Ind. has similarly aroused interest in the completion of a new art museum with a series of local specials describing the efforts that went into its creation.

\* \* \*

Profiles of many ETV shows (including several reported in our own survey) are given in *Interaction*, the new 288-page book published by the Television Information Office and described on p. 15 of this issue. At least 5 chapters (literature & the arts; for better schools; science & technology; formal education; general adult education) of the book's 15 will interest ETV people.

**NAEB Meets This Week:** With guest panelists due to tackle topics ranging from the uses of new TV equipment to the broadcasting of controversial material, the 36th annual convention of the National Assn. of Educational Broadcasters is scheduled for Oct. 18-21 at San Francisco's Jack Tar Hotel.

Guest speakers at the NAEB meeting, latest gathering of the "principal professional organization of radio & TV broadcasters dedicated to the effective use of these media for educational & cultural purposes," include many top industry names: Steve Allen, Sylvester (Pat) Weaver Jr., Rod Serling, Dr. Frank C. Baxter along with Drs. Edward Teller, S. I. Hayakawa, Mortimer J. Adler and designer Charles Eames. Convention chmn. is KQED Pittsburgh gen. mgr. James Day.

The meeting's opening session (Tue. eve.) will feature Drs. Teller and Adler, Weaver and Eames in a discussion of "the nurturing of creativity." Also included in the convention program are special section meetings on press criticism of cultural broadcasting, effective use of sound in radio broadcasting and fundamental issues of instructional shows.

Public service citations have been presented by the city of Philadelphia to local commercial stations WRCV-TV, WFIL-TV and WCAU-TV for coming to the aid of fire-wrecked educational WHYY-TV. The 3 vhf stations furnished studios & airtime to keep the educational programs of the uhf outlet on the air.

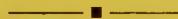
**Govt. ETV research grants** awarded through Oct. 1959 under Title VII of the National Defense Education Act (Vol. 16:28 p13) are detailed in a special edition of *News & Reports*, published by the U.S. Office of Education.

**ETV at RTEs:** Resistance, and even apathy, toward ETV on the part of parents, school boards and some teachers is bringing considerable frustration & stalemate to educational broadcasters. This was the consensus of a 3-man workshop panel staged Oct. 12 in N.Y. by RTEs at the audio-visual exhibition. Panel members: N.Y. Regents ETV project exec. dir. Edward King, National ETV & Radio Center station relations dir. Paul Owen, and Frank Cariott, vp, Dave Chapman Inc.

"We must combat prejudice & old-fashioned ideas that 'machines are taking over' before greater headway [for ETV] can be made," said King. Added panelist Owen: "ETV is the most important aid to academic education of the century; we need money & cooperation to make it widespread & effective."

The panel agreed that budget problems remain one of ETV's biggest headaches. According to King, the WPIX N.Y.-telecast Regents project has a total budget of \$385,000 from public funds—"about the cost of one network special." Personal resistance on the part of teachers (some of whom feel "TV is only for entertainment") was cited by Owen as another major problem. There's a current problem, too, in terms of equipment. "We need better sets in schools—not the kind that the PTA buys cheaply from someone's last year's stock," said Cariott.

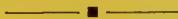
The panel also noted that: Annual budgets of the National ETV & Radio Center now amount to \$2.5 million, although additional funds are coming from such philanthropic organizations as Ford Foundation and National Science Foundation; 40% of U.S. ETV stations are connected with universities, 20% with public-school systems, and 40% are community-supported; many ETV broadcasters today, having had their training in commercial TV, are bringing its better production techniques to ETV.



**Operation Airborne to Test in Jan.:** ETV demonstration flights in Operation Airborne (Vol. 15:42 p3 et seq.) are scheduled to start next Jan. 30 for a 16-week test period. Based at Purdue U.'s West Lafayette, Ind. airport, 2 DC6AB planes will alternate in a schedule calling for transmission over 2 channels 3 hours daily, 4 days a week, while schools in 6 states check equipment & reception.

The Midwest Program on Airborne TV Instruction (MPATI) plans its first full academic year of operation for Sept. 1961-June 1962 with a flight schedule of 6 hours a day, 4 days a week. Taped courses, some of which will be sampled during the demonstration period, will be provided by WCET (Ch. 48) Cincinnati, Purdue, U. of Detroit, N.Y.U., WHYY (Ch. 35) Phila., WTTW (Ch. 11) Chicago.

The full-term 1961-62 MPATI curriculum, as planned, will offer 16½ hours weekly of elementary school instruction, 16½ hours of secondary courses and 7 hours for college-level students. Elementary courses: science, social studies, arithmetic, French, Spanish, art, music. Secondary courses: general science, physics, biology, American history & govt., world history & geography, Spanish, American literature & composition. College courses: mathematics, chemistry, Russian.



Educational KQED San Francisco has opened its 3rd year of in-school teleclasses with a \$100,000, 11-course curriculum that "will be viewed by thousands of students from 53 school districts of 10 Bay Area counties," according to KQED school bestg. dir. Raymond L. Smith. Eight new courses have been introduced for the 1960-61 academic year, "with a heavy concentration on foreign language & science, primarily for elementary schools."

## Stations

### More about

**NAB CONFERENCE CRUSADE:** Broadcasters from South-eastern states went to school in Atlanta last week to have their knuckles rapped by a NAB faculty and hear illustrated lectures on self-improvement.

In the first of NAB's series of 1960 regional fall conferences, the station management men were told sternly that the TV-radio industry's performance needs to be bettered (see p. 2). They got advice from a dozen NAB staffers and from other visiting specialists on how to do it.

Problems of govt. & public relations dominated the tightly-planned agenda of the Oct. 13-14 conference in the ballrooms of Atlanta's Biltmore Hotel. In lectures buttressed by films & slides, such lessons as these were taught by NAB lecturers:

**Govt. affairs vp Vincent T. Wasilewski:** Broadcasters can't blame Democratic or Republican politics for Congressional exposures of TV & radio evils. Washington's picture of broadcasting as a wayward industry "has not been painted with a brush of partisanship."

**Industry affairs vp Howard H. Bell:** "We were lucky" that Congress didn't do more than it did. From now on, individual broadcasters must get in & pitch at national, state and local political levels to see to it that "mutual understanding" is reached. "We can't be complacent about the future. We cannot depend on luck."

**Radio vp John F. Meagher:** NAB shouldn't be expected to do all the lobbying. There's need for more planning & pushing by state broadcasting groups to promote industry causes. "The state association is no longer a defensive mechanism concerned only with combatting adverse measures which might crop up in the legislature."

### Community Acceptance Essential

**Public relations mgr. John M. Couric:** All station employees must learn that "the station's future & their livelihood depend on community acceptance, community support and community goodwill." It's not a one-man job; "everyone on the payroll should be working on it fulltime."

A joint talk-&film presentation by NAB's TV Code affairs dir. Edward H. Bronson & Code Review Board member Robert W. Ferguson (WTRF-TV Wheeling) at a TV session dealt with a related public-acceptance subject. They warned that in the area of questionable commercials & programming, biggest hazards now are in "personal products," sexed-up theater trailers, post-1948 movies. The Code (scheduled for updating this year) is TV's "single most important shield," said TV vp Charles H. Tower.

Brightening of TV's often clouded public image through station use of public-affairs programming ideas in a new TV Information Office book—*Interaction*—was proposed by dir. Louis Hausman. The 288-page TIO compendium describes more than 1,000 programs & series broadcast by 264 stations in 162 cities (see p. 15).

Delegates also gave rapt attention to a filmed talk by the industry's most formidable Congressional figure—House Commerce Committee Chmn. Harris (D-Ark.). He said "responsible broadcasters have nothing to fear" from anti-payola legislation enacted this year. He praised political behavior by TV & radio "so far" in current election campaigns. Harris also said the industry wasn't yet out from under trouble on Capitol Hill. He reminded NAB members that unfinished Congressional investigative business includes such issues as network regulation, trafficking in licenses, editorializing practices.

All of the 2-day Atlanta conference (whose presentations will be repeated at the 7 remaining regional meetings) wasn't spent on the industry's past, present and pending public woes, however. The opening session was devoted to "People—and Profits." Advice was given by NAB staffmen on how to "manage" the former and increase the latter.

Station relations mgr. William Carlisle said station executives should experiment with fresh sales techniques to become "successful convincers" in persuading reluctant prospects to accept an idea or product. Broadcast personnel & economics mgr. James H. Hulbert outlined the sad case history of an unidentified radio station. Its 1954-59 sales went up nearly 300% but its profits dropped terribly because of an inflated payroll, Hulbert said. He recommended that managements keep an eye on NAB & FCC figures on comparable stations in comparable markets to make sure their own payrolls aren't getting out of hand.

And TvB Pres. Norman (Pete) Cash closed the final TV business session of the conference with characteristically upbeat predictions on "The Future of TV." Declared Cash: "TV may never again be as inexpensive or as efficient as it is right now. TV has a very long way to go before its cost efficiency is reduced to the low levels of other major media . . . Magazines cost more than TV, newspapers cost more than TV. TV is the cheapest of major media when it comes to reaching people, no matter who measures it."

Speaker at NAB's fall-conference luncheon in Chicago Nov. 22 will be Edward C. Quinn, pres.-gen. mgr. of Chrysler Motors Corp., replacing American Motors Chmn.-Pres. George Romney, canceled because of other commitments.

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Control of Detroit Tigers is being acquired by John E. Fetzer, who is increasing his holdings from  $\frac{1}{3}$  to  $\frac{2}{3}$  by buying the stock of the group headed by Kenyon Brown. Now chmn., Fetzer will become pres. The price won't be disclosed, he said. Fetzer and the Brown group bought the club from the Walter O. Briggs Sr. estate for \$5.5 million in 1956 (Vol. 12:29 p14). Fetzer owns WKZO-TV & WKZO Kalamazoo, KOLN-TV Lincoln, Neb., WWTV Cadillac, Mich. & radio WJEF Grand Rapids.

Despite earlier denial that WMGM N.Y. was on the block (Vol. 16:39 p11), the Loew's Theatres-owned independent radio outlet is being bought, contingent on FCC approval, for more than \$10 million by Crowell-Collier Bestg. Corp., subsidiary of the publishing firm. The deal was approved last week by both parent companies. One of the earliest independent radio stations, it debuted in 1922 as WHN under the ownership of MGM. Crowell-Collier currently owns KEWB Oakland, KFWB Los Angeles, KDWB St. Paul, has agreement to buy WGMS Washington.

New 35-kw high-band vhf amplifier will be offered to stations by GE's communications products dept. The new amplifier, capable of being driven by a transmitter of less than 5 kw, "makes it economically feasible for many more stations to increase their ERP to the 316-kw limit," GE stated, pointing out that many stations' present transmitters can be used as driver to attain maximum ERP.

NAB's TV Board, meeting in Washington last week, took the following actions: (1) Reaffirmed its support of legislation to regulate CATV. (2) Told the NAB staff to support FCC, against FAA, as the agency with final jurisdiction over tall towers.

Purchase of KBAK-TV (Ch. 29) Bakersfield, Cal. by Reeves Bestg. & Development Corp. from the Chronicle Publishing Co., has been approved by FCC. Price: \$468,634 plus cancellation of \$381,366 indebtedness.

**TV Code Progress Report:** More than 70% of 524 on-air commercial TV stations—380 (an increase of 109 from Nov. 1959's 271)—now subscribe to NAB's TV Code, Review Board Chmn. E. K. Hartenbower (KCMO-TV Kansas City) boasted last week in a taped report to network affiliates.

"But let's not be over-confident," he added quickly in the closed-circuit broadcast which he shared with NAB Policy Committee Chmn. Clair R. McCollough. "When I was a boy we always threw the biggest mud ball at the biggest barn door. It's not going to be any different this year; TV is today the target of many critics. Let's all be alert to guard against the excesses our critics are happy to pounce upon—over-commercialism, unnecessary sex or violence in programming."

McCollough said he was sure that without the Code, the entire TV industry would have been "in serious trouble" in the past 18 months—"in many ways the most hectic in the history of TV." He reminded the network affiliates of quiz & payola scandals, assaults on programming, knife-sharpening by TV's competitors, Congressional demands for rigid govt. controls.

"During this difficult period one of our most powerful weapons has been the NAB TV Code," McCollough said. One result: "Despite the furor, the people never lost confidence or interest in the splendid service TV provides."

The progress report was taped following Oct. 4 sessions of the Review Board in Washington (Vol. 16:41 p7). It was carried to affiliates by CBS & NBC Oct. 10. ABC scheduled it for Oct. 17.

In another post-meeting move, the Review Board urged subscribers & post-1948 film distributors to consult with Board members & Code staffers when they run into taste problems in this "rich new source of TV programming." The Board warned that "there are instances when interpretations of the TV Code may be required."

NAB's radio vp John F. Meagher reported to the Radio Board meanwhile that 845 AM & FM outlets vs. 683 last Dec. (Vol. 15:51 p7) are now signed up for compliance with the Radio Code. Meeting with the Radio Board following joint TV-Radio Board sessions at which Fla. Gov. LeRoy Collins was elected NAB pres. (see p. 1), Meagher also said radio subscribers soon will be supplied with recorded Code announcements.

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Injunction prohibiting payola was signed in Philadelphia last week by Common Pleas Court Judge David L. Ullman against 11 record distributors & 22 disc jockeys who had agreed to consent decrees (Vol. 16:39 p11). Six more jockeys are on the hook, but 5 haven't been served with complaints yet; 6th is under preliminary injunction.

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Payments for spot announcements by non-subscribing sponsors of background music services aren't subject to the 8% wire-&equipment excise tax on the services themselves, the Internal Revenue Service has ruled. In reply to inquiries by an unnamed operator of a background service, the IRS decision (Rev. Rul. 60-318) also said the excise doesn't apply to music supplied by means of tape players installed on subscribers' premises.

Sale of CHLT-TV (Ch. 7) Sherbrooke, Que. with radio CHLT, both French-language outlets, as well as English-language radio CKTS there, and French-language newspaper *La Tribune* pends BBG approval. Ottawa merchant Raoul Landriault, also part-owner of upcoming CJOH-TV (Ch. 13) Ottawa, is acquiring properties for \$6 million from Paul Desruisseaux and associates.

**UPCOMING STATIONS:** Following are the latest reports from principals in U.S. & Canada holding authorizations for new TV stations. For a status report on educational TV outlets in the U.S., see page 2.

**KCND-TV (Ch. 12)** Pembina, N.D. has a 2-kw RCA transmitter wired. It began tests week of Oct. 10, reports operations dir. Charles K. Bundlie. It also has a 1350-ft. Stainless tower ready for traveling wave antenna. It is negotiating for network affiliation. Base hour will be \$400. Reps will be Meeker, Wayne Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), TV Representatives Ltd. (Canada).

**WTVI (Ch. 19)** Fort Pierce, Fla. plans test patterns about mid-October and expects to meet Nov. 1 target for programming with CBS-TV & ABC-TV, writes gen. mgr. Herbert E. Buck Jr. for owner Gene Dyer. GE 12-kw transmitter is being wired and a 390-ft. Stainless tower is ready for helical antenna, due shortly. Base hour will be \$300. Rep will be Forjoe.

**KEZI-TV (Ch. 9)** Eugene, Ore. has changed target for programming with ABC-TV to Nov. 25, reports gen. mgr. Marvin A. Krek. Interior of studio building at 2225 Coburg Rd. is being finished and transmitter house roof was installed week of Oct. 10. GE 35-kw transmitter is to be shipped Nov. 1. Its 200-ft. tower from Tower Sales Erecting Co. is  $\frac{1}{2}$  up and GE antenna was to be shipped Oct. 15. Base hour will be \$396. Rep. will be Meeker.

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**CJAY-TV (Ch. 7)** Winnipeg, Man. is installing a 25-kw RCA transmitter at its site on Hwy. 75, 16 mi. S of city. It expects to meet a Nov. 1 programming target, reports public-service dir. Barry Nicholls, ex-CHCT-TV Calgary, Alta. It has erected 480 ft. of a 1000-ft. Dominion Bridge tower. Equipment is being installed in studios at Polo Park Shopping Center. Jerry Johnson, ex-CKBI-TV Prince Albert, Sask. will be gen. sales mgr. Base hour will be \$500. Reps will be Weed and Stovin-Byles Ltd.

**CHAN-TV (Ch. 8)** Vancouver, B.C., planning Nov. start, has an 11-kw RCA transmitter and 300-ft. Western Bridge tower with 81-ft. antenna ready on Burnaby Mt., according to Blair R. B. Patterson, promotion mgr., reporting for pres-gen. mgr. Art Jones. The walls are partly up for a studio building on Lougheed Hwy., Burnaby, B.C. Base hour will be \$550. Reps will be Weed and All-Canada.

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Montana broadcaster Ed Craney is disposing of the last of his station interests, selling KXL-TV & KXL Butte and KXLJ-TV & KXLJ Helena to Joseph S. Sample, operator of KOOK-TV Billings. Simultaneously, Sample will sell the Helena stations to the local CATV operator, Helena TV Inc., with which Craney has had a long & bitter feud. Tax counsel are still working on details, but the final price to Sample will run between \$1 & \$1.5 million. Helena TV Inc. is headed by William Piehl, managed by Bruce Hamilton. The transactions were handled by Blackburn & Co., which recently negotiated the sales of WBIR-TV & WBIR Knoxville and WKST-TV & WKST Youngstown (Vol. 16:40 p11).

**KPAR-TV** Sweetwater, Tex. is being leased to Texas Key Bestrs. Inc., according to an application filed with FCC. The lease is for 10 years, for \$799,440, with Texas Key holding an option to buy 50% for \$50,000 at the end of the period. Texas Key is headed by James W. Isaacs, a vp of KPAR-TV who will resign. Albert R. Elam Sr. is vp, Albert R. Elam Jr., secy.-treas. The Elams own oil drilling & trucking businesses.

## Networks

**AFTRA's New Demands:** Network officials in N.Y. last week were "stunned" (according to a union source) by AFTRA's latest demands as negotiations continued between the networks and the live-talent union over revised rates & working conditions. Neither side, of course, has officially revealed details of the new demands, but it's clear that they'll cause changes in future program pricing.

One AFTRA demand networks are currently opposing is for a sizable increase in the pay scales of TV-radio sportscasters. Another: scales for live & tape commercials.

The networks, meanwhile, are making some proposals of their own to AFTRA. They're seeking a formula to cover talent payments on odd-length programs (45-min., etc.). They'd also like a revised discount scale on talent costs for live across-the-board daytime shows.

SAG is scheduled to join with AFTRA later this week in negotiations concerning commercials. Although the 2 unions are still apart on the topic of an AFTRA-SAG merger, there is a strong liaison between the labor organizations concerning such matters as contract termination, pay scales and general aims.

Will Jim Hagerty join ABC? The rumor that the White House press secretary was planning to join ABC next January as a top-level news & public affairs official was back in circulation last week. Both Hagerty and ABC refused to comment.

## NETWORK SALES ACTIVITY

### ABC-TV

Political messages, 5 min. daytime spots, full-sponsorship eff. Oct. 20 and Oct. 24 respectively.

Democratic National Committee (Guild, Bascom & Bonfigli)

Republican National Committee (Campaign Associates)

Bugs Bunny, Tue. 7:30-8 p.m., participations eff. June 1961. *Perkins div. of General Foods (F, C & B)*

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Nov. *Bristol-Myers (D, C, S & S)*

Hong Kong, Wed. 7:30-8:30 p.m., part. eff. this month. *Pan-American Coffee Bureau (BBDO)*

Daytime programming, Mon.-Fri. part. eff. this month. *J. H. Filbert (Young & Rubicam)*

*Carter Products (Ted Bates)*

*Reynolds Metals (Lennen & Newell)*

### CBS-TV

Person to Person, Thu. 10-10:30 p.m., part. eff. Oct. 27. *Wander (Clinton E. Frank)*

### NBC-TV

Happy Talk, Dec. 6, 10-11 p.m., one-time special, co-sponsorship.

*Lipton Tea (S, S, C & B)*

*Lanvin (North)*

Macy's Thanksgiving Day Parade, Thu. Nov. 24, 11 a.m.-12 noon, one-time special, co-sponsorship. *Ideal Toy (Grey)*

*Lionel Train (Grey)*

The Shirley Temple Show, Sun. 7-8 p.m., part. eff. spring, '61.

*Perkins div. of General Foods (F, C & B)*

Remember How Great, Feb. 9, 8:30-9:30 p.m., one-time special, full sponsorship. *American Tobacco (BBDO)*

**Canada's Second Network:** Schedule of hearings leading to a decision on Canada's 2nd TV network & new TV licences has been announced by the Board of Broadcast Governors. Nov. 10 is the deadline for network applications, with public hearing on them fixed for Nov. 29. Currently, Canadian Bctg. Corp. operates the nation's only TV network, and the only declared applicant for another is Spencer Caldwell, Toronto film distributor who failed in his bid for a Toronto station. Eight newly-licensed TV stations (in Halifax, Montreal, Ottawa, Toronto, Winnipeg, Calgary, Edmonton and Vancouver) have formed an independent TV organization and will likely apply. BBG has said preference will be given to this application in which all the stations share ownership & operation.

BBG has also announced meetings in Saskatoon this week (Oct. 20) and next in Fredericton (Oct. 24) to facilitate the "most rapid & most orderly" development & extension of TV across northern Manitoba, Saskatchewan and Alberta and into distant parts of Quebec and the Maritime Provinces on the Atlantic Coast.

Pending the Saskatoon & Fredericton meetings, BBG deferred applications for satellites in the affected areas, but recommended satellite TV stations at Fox River, Quebec, for CHAU-TV Carleton, Quebec; and at Lumby B.C., for CHBC-TV Kelowna, B.C. A power increase has been authorized for CKX-TV Brandon, Man.

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NBC backed its challenge of FCC's spot-rep decision (which puts CBS & NBC out of the business—Vol. 16:24 p8) with a brief filed last week in the Court of Appeals. Independent briefs were filed by NBC-repped KOA-TV Denver, KSD-TV St. Louis, WAVE-TV Louisville & WRGB Schenectady. FCC & Justice Dept. have until Nov. 10 to answer the briefs, and the appellants' reply deadline is Nov. 22. The parties hope for oral argument by the end of the year. NBC summarized its position as follows: "The Commission's order should be set aside because it is an unauthorized & unwarranted extension & distortion of the function conferred upon the Commission by the Communications Act. The order divests NBC of a valuable & perfectly proper & lawful business enterprise without any evidence of impropriety in the conduct of that business or even of any threatened harm or danger to the public interest. Moreover, by the application of a misconceived idea of the national policy favoring free competition, the Commission would destroy existing competition in a paternalistic effort to protect station licensees from a non-existent threat, against which they would, in any event, be perfectly able to protect themselves. In doing this, the Commission ignores not only the statutory limits of its authority but also Constitutional limitations."

NBC Chmn. Robert W. Sarnoff defended the TV-spurred American consumer economy against warnings of a "cult" of economists in an address before the American Gas Assn. at its Oct. 12 meeting in Atlantic City, N.J. "I think the American people will reject the notion that prosperity is a sin," said Sarnoff. "They will have little patience with a cult that preaches economic asceticism. Most Americans will recognize it would tighten not merely a belt but a noose." As U.S. purchasing power grows in the next decade, said Sarnoff, the average consumer will have "almost twice as much money to spend" in such pleasant decisions as whether to buy a new car or a swimming pool or a trip to Europe. "These," added Sarnoff, "are some of the choices upon which the eloquent selling power of TV can & will be brought to bear."

## Advertising

**Coffee, Tea, Insurance TV Gains:** Gross network & spot TV time billings for coffee & tea companies jumped 19% in the first half of 1960, compared with spending by this beverage category in the same 1959 period, TvB reports. The figures: \$27,220,905 (\$21 million for network; \$6.2 million for spot) vs. the previous \$22.7 million. Coffee led tea \$21,807,054 vs. \$5,413,851. Top coffee spenders: General Foods, \$9,320,900; Standard Brands, \$2,184,215. Leading tea advertiser was Lever Bros. (\$2,125,420 for Lipton).

Insurance companies' gross time TV billings will top \$16 million in 1960, compared with 1959's \$14 million. First half spendings totaled \$7,264,611 (\$5,584,611 network, \$1,680,000 spot). First half's leader was Mutual Benefit Health & Accident Assn. with \$3,036,436 gross. Runners-up: Prudential (\$2,369,634) and Allstate (\$1,688,700).

TvB also announced that its 1960 annual meeting scheduled for N.Y., would be held Nov. 15-18. Topics on the agenda include: Current sales problems in advertising; reports on TvB activities; showing of the new TvB film presentation "The Progress of Discontent."

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FTC Chmn. Earl W. Kintner passed the 200-speech mark last week. In the latest of a series of hard-talking public appearances, started when he took office 15 months ago, Kintner: (1) Told Washington's Ad Club and Better Business Bureau that it's unfortunate that foreign diplomats' impressions of the U.S. economy are colored by "breathless bargains barking out of their TV & radio sets." (2) Assured an Advertising Federation of America district conference in Richmond that "gyp operators" of direct mail advertising schemes will feel FTC's sting soon. (3) Warned the Grocery Mfrs. Representatives in N.Y. that any business which ignores laws forbidding discriminatory pricing & advertising allowances "is digging its own grave" in harsher govt. regulation.

Agencies are being "cheated" by commercial film makers who confine their efforts to "the mechanics of commercial film production" and allow the creative process to "die at our doorsteps," stated Robert Lawrence Productions Pres., Robert L. Lawrence, last week to the audio-visual exhibition. "Evasion of our challenge as commercial producers leaves the sole prerogative to agencies—which is irresponsible," Lawrence added. Responsibilities labeled "primary" by Lawrence for film companies: Casting, director's role on stage, cutting, visual vitality.

Chmn. Arthur C. Nielsen of that research organization, speaking to a luncheon meeting of the Broadcast Advertising Club of Chicago last week, branded as fallacies a pair of pet advertising theories: That TV ratings would be "unnecessary if the advertiser would merely watch his cash register," and that TV is unsuccessful "unless it produces a sales increase." TV, said Nielsen, might prove "very profitable" if it simply halted a sales decline, or maintained current sales levels at a reduced advertising cost or maintained them in the face of "certain competitive handicaps."

New 700-volume reference library, a project of the Advertising Federation of America and the Advertising Club of N.Y., will be dedicated this week (Oct. 21). Located in AFA's N.Y. offices at 655 Madison Ave., the library will be open to the entire ad industry and will furnish "an important new addition to the technical resources of the advertising & marketing fraternity," according to AFA Chmn. James S. Fish.

**Ad People:** Fred Marlin Mitchell Jr., ex-Dancer-Fitzgerald-Sample, named Kenyon & Eckhardt senior vp . . . Gunnard Faulk and Gene Federico named Benton & Bowles vps . . . Paul R. Smith, ex-Fletcher Richards, Calkins & Holden, named creative services exec. vp, Grant Advertising . . . Samuel B. Vitt named Doherty, Clifford, Steers & Shenfeld media dir.

Clayton G. Going and Charles P. Murphy named BBDO vps . . . W. Watts Biggers named a Dancer-Fitzgerald-Sample vp . . . Ruth Downing, Helen Klintrup and Harriet Rex named J. Walter Thompson vps . . . Richard N. Rissteen, ex-Sullivan, Stauffer, Colwell & Bayles, appointed vp-mktg. dir., Needham, Louis & Brorby . . . William M. Schmick named vp & mktg. dir., Donahue & Coe; Lawrence D. Gibson appointed vp & research dir. . . . Robert J. Lyon elected a Ted Bates vp . . . William V. Patten named San Francisco mktg. dir., Lennen & Newell.

Gene Taylor named Fuller & Smith & Ross vp & creative dir.; David Mathews named head of bcst. activities, Los Angeles office . . . F. G. Hunsicker named a Ted Bates vp . . . Walter H. Johnson Jr., ex-Capital Airlines named a McCann-Erickson vp . . . Roy Passman, J. M. Mathes TV, radio & motion picture dept. dir., named a vp.

**Comparative Network Costs:** A 5-year comparison of the cost-per-1,000-homes-per-commercial-nighttime-minute for each of the 3 networks has just been released by *Sponsor*. The figures (based on Jan.-Feb. averages) show an evolution for ABC-TV from being the most expensive in 1956 to the least expensive network this year. The tabulation:

YEAR	ABC-TV	CBS-TV	NBC-TV
1956	\$3.93	\$2.80	\$3.31
1957	3.82	2.65	3.52
1958	2.86	2.97	3.27
1959	2.66	2.93	3.43
1960	2.78	3.17	4.17

New reps: KSWO-TV Lawton, Okla.-Wichita Falls, Tex. to Venard, Rintoul & McConnell Oct. 1 from McGavren • KTVE El Dorado, Ark. to Bolling Nov. 1 from Weed.

## The FCC

FCC was rebuked by the Court of Appeals last week for failing to maintain the status quo in the Boston Ch. 5 *ex parte* case. On July 14, the Commission had ordered Ch. 5 taken from WHDH-TV and said that a new comparative proceeding would be required (Vol. 16:29 p1). By deciding to set aside WHDH-TV's grant, Judges Edgerton, Danaher & Burger said, the FCC "altered the status of the parties notwithstanding this court's order of July 31, 1958, which had expressly directed that the status quo be maintained pending the further order of this court." Therefore, the court said: (1) FCC's July 14 decision is set aside for the present. (2) FCC is given 30 days within which to give the Court "its findings & recommendations based upon the supplemental record compiled before the special Commission hearing examiner." Thereafter, the Court stated, briefs or oral argument may be ordered. It said that the foregoing is "required in the interest of orderly procedure."

Allocations petitions: (1) By WNOK-TV (Ch. 67) Columbia, S.C.—addition of Ch. 14 to the city. The station also seeks a show-cause order shifting it to Ch. 14. At the same time, it filed an application to shift to Ch. 25. (2) By KVIQ-TV (Ch. 6) Eureka, Cal.—assignment of Ch. 11 to Ft. Bragg, Cal., for which it will apply.

**Devotion to Public Interest Dept.:** While the last game of the World Series was being played, FCC members were listening to an oral argument. Subject: Whether or not a shrimp boat operator's radio license should be revoked.

## Programming

**DEBATES 2 & 3:** Although the latest pair of Nixon-Kennedy debates drew TV audiences that were smaller than the Sept. 26 kickoff (largely because of the early-evening slotting) the Great Debate series last week was clearly becoming an established political fixture. Everybody's technique was improving—the candidates in presenting themselves and their views, the networks in staging the political clashes, and the political advisers in establishing format & ground rules that will probably be repeated in future elections.

The Oct. 13 debate produced at least one development that defied ready explanation. Arbitron ratings for the first show (Vol. 16:40 p2) gave the biggest slice of audience to CBS-TV. On the Oct. 13 show, the balance of rating power shifted noticeably. ABC-TV drew a 17.2 share, CBS-TV a 26.7, and NBC-TV a sizable 41.2. In measuring the overall impact, Trendex noted in a 25-city check that 50.4% of the available TV audience was tuned to the debates, and projected this to a national total of over 60 million people.

The Oct. 7 debate did about as well, drawing a national Arbitron-estimated audience of some 61 million as against the first debate's 75 million. The 14-million-viewer loss was, network officials agreed, primarily a matter of time periods (7:30 p.m. for the 2nd and 3rd debates, vs. 9:30 p.m. for the first).

A possible 5th debate, to be held as close as possible to the election, was scheduled for exploration in Washington by the candidates' representatives Oct. 15. So far, Kennedy has voiced support of an extra debate; Nixon has suggested a stretched-out 4th debate that would include a debate session between the Vice-Presidential aspirants.

Were the debates helping one candidate more than the other? You could get all shades of opinion on this last week. Most observers felt that Nixon was looking better (thanks to improved lights and makeup) as the debate series rolled along, and was hitting harder. Some critics, including John Crosby, who caught the 3rd show on radio but not on TV, felt that Nixon seemed more relaxed, assured, and less nervous than Kennedy. Kennedy supporters, however, felt generally that their candidate's image had been improved enormously by the debate series, and could hardly wait for word on an extra telecast.

"If networks exercised as much imagination, resourcefulness and showmanship in basic entertainment as in [their present] binge for public-service & news programs, the entire medium would be better off. What's wrong, in short, with beefing up public service in the form of entertainment? It doesn't all have to be news. What happens is a constant aping of the same patterns & formula. If it isn't Westerns, it's situation comedies. What has happened to the solid hour dramas which really put the stamp of distinction on the medium? And the variety shows? Dating from Berle, these were the bulwark of the new medium's most vivid & vital entertainment hours"—C. Terence Clyne, vice-chmn. of McCann-Erickson and key decision-maker in spending \$105 million a year in M-E billings, in *Variety*.

WABC-TV N.Y. has splurged sizably for new film product with close to \$1 million invested in 1960 for syndicated & feature-film programming. Among recent purchases: ITC's *Best of the Post*; CNP's *Blue Angels* and *Jim Backus Show*; Screen Gems' *Ivanhoe* and *Rescue 8*; Ziv-UA's *Case of the Dangerous Robin*; the Lopert-Rank feature film package; Paramount's *Action Theater*.

**L. A. SAYS POST-1948s TOO COSTLY:** Is the anticipated fortune from TV sales of the post-1948s more of a myth than a fact? The question has popped up in 7-station Los Angeles, which has been one of the best movie customers in the industry. Our check of the stations disclosed general hostility to the prices asked for the post-1948s, and in some instances outright indifference to the packages. Those interviewed had been offered packages of post-1948s from 7 Arts-Warner Bros., United Artists Associates, NTA-Twentieth Century-Fox, and Columbia Pictures-Screen Gems. (Vol. 16:31 p10, 16:30 p4, 16:28 p1).

All expressed the opinion that the major studios & distributors have greatly over-estimated the value of their post-1948s. The consensus: "Sure we'd like to have them, but not at those prices." Certain stations, which rely heavily on movies for programming, plan to play a waiting game; they are sure that prices will come down eventually.

Admittedly only a one-city check, the findings have significance because Los Angeles has often served as a barometer in movie-to-TV deals. And some L.A. executives stated that their attitude coincided with that of buyers in other cities with whom they'd talked.

While the principal objection is to price, there is also resistance to buying a package which may include a preponderance of inferior movies with a few good pictures.

Here's a sampling of the reactions:

**Robert Breckner, vp-gen. mgr., KTTV:** "The main reason mitigating against our buying post-1948s is the price—which is unreasonable. We don't feel there's any magic to the term 'post-1948.' Whether or not movies can be as effective in prime time as in the past I don't know. TV fare has improved. We will wait & see if the price drops."

**Al Flanagan, vp-gen. mgr., KCOP:** "There are going to be so many of these post-1948s they will no longer be a novelty. Prices are probably double what they were on the pre-1948s. We are interested, but not at the prices they're asking now."

**Hal Phillips, prog. dir., KHJ-TV:** "We are the movie station in L.A.—75% of our programming is movies. But with prices so high, we'd do better with some of those choice pre-1948s."

**William Alcine, film dir., KNXT:** "We'll wait to see what they'll do on a 5-station buy. They'll have to come down to reasonable scales. They are asking from \$15,000 to \$20,000 a picture, and you have to buy the whole package. These post-1948 packages have a lot of films too short for our regular feature-film time and some wide-screen movies which create screening problems."

**Elton Rule, gen.-mgr., KABC-TV:** "Being a network station we don't show movies in prime time, and wouldn't be interested in this high-priced, new product for our other time periods. We haven't considered the major-studio post-1948s as potential programming at all."

**Tom McCray, vp-gen. mgr., KRCA:** "I doubt very much that we could buy the post-1948s. We could only play them in afternoon slots or late Sunday nights, and the station couldn't get its money back. They are asking 50-to-75% more than the pre-1948 prices. Economics just don't permit such prices."

Still another factor holding up early buys was the possibility that the networks may purchase some of the cream of the post-1948 crop to use as specials. There is resentment on the local-station level against the idea that the distributors & majors want to sell their best product to the networks, sell leftovers to local stations at top prices.

**David & Goliath:** With the appearance of Russia's Khrushchev as guest on the Oct. 9 *Open End* show, produced & hosted by David Susskind, sponsor Sutro Bros. & Co., N.Y. brokerage firm, not only canceled its partial sponsorship, but asked WNTA-TV N.Y. for an aired announcement to the effect that it was completely opposed to the Russian leader's appearance. NTA refused to go along with the brokerage firm.

WNTA-TV drew considerable censure, however, for what must have seemed like a good way to appease Sutro (and other anti-Khrushchev elements). NTA filled a pair of 60-sec. station breaks with Radio Free Europe film spots that many broadcasters have used—but which most critics agreed were in rather bad taste during a TV show on which the head of the major world power against whom the RFE spots were directed was a guest.

The RFE announcements (which Khrushchev learned of during the course of the show—to his apparent annoyance) came over only in the N.Y.-area telecast. Late last week, when most of the critical returns were in, NTA Chmn. Ely Landau was willing to admit that slotting the hard-sell RFE film spots was "a mistake."

In Los Angeles, KTTV canceled the Khrushchev interview on the grounds that it was "propaganda." Pres. Richard Moore said he thought it would be "contrary to the public interest" to air the tape, but that his station would waive its contractual rights to any other station in the area that wanted to telecast the interview.

Widely covered by the press, since it was Khrushchev's only non-news-program TV appearance in the U.S. during his recent visit, the show drew a big audience. ARB estimated that in N.Y. the interview portion of the show reached an average of 360,000 homes, with a viewing peak of nearly 500,000 homes. Viewer opinion, as expressed in letters to WNTA-TV, seemed closely divided: Of 768 letters received in the 2 days following the show, 402 viewers were in favor of the interview, 366 were critical.

The long (9 p.m. to station sign-off, including a period of analysis by a panel of newsmen) program was scheduled on a live basis by 6 stations affiliated with NET (National ETV), who in turn provided tapes of the program to 50 more ETV stations. More than 200 U.S. radio stations carried the audio portion. In addition, overseas telecasts were scheduled by Britain's BBC, Canada's CBC, Australia's ABC, Japan's NHK and Radio Moscow's TV channels.

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Public's taste for TV gore, critics notwithstanding, was vividly illustrated Oct. 13 with the season premiere of *The Untouchables* on ABC-TV. The kick-off episode, "The Rusty Heller Story," contained a number of blood-bath touches (machine-gunning & bombing of rival mobsters, a "squealer" whose tongue is cut out in a nightclub) that made Shakespeare's "Titus Andronicus" look mild. Viewers loved it, however. An overnight Trendex gave the Desilu-produced 60-min. show a 9:30-10:30 p.m. rating of 31.6 and a whopping audience share of 55.7%. On CBS-TV, *The Ann Sothern Show* and *Person to Person* managed an 8.7 rating and 15.4 share. On NBC-TV Ernie Ford and Groucho drew a 12.0 rating and 21.5 share.

Actress Donna Reed has been named TV committee chmn. for American Education Week, Nov. 6-12, by the National Education Assn. The star of *The Donna Reed Show* has been serving as a volunteer consultant to NEA in the formation of the TV committee, notes NEA Pres. Clarice Kline.

**TIO's Idea Book:** Station program executives looking for new local-level ideas in the public-affairs field (and critics of TV's social behavior) will do well to examine *Interaction*, a sizable (288 pps.) book published Oct. 16 by the TV Information Office. The product of a large-scale TIO survey, *Interaction* summarizes more than 1,000 public-affairs TV shows & series that were telecast during the past season over 264 TV stations in 162 U.S. cities.

Prepared under the supervision of author-critic Robert Lewis Shayon, the book has 15 chapters which range from shows dealing with "community affairs & problems" to an exploration of new local program areas. Each chapter introduces the program type, gives detailed descriptions of outstanding shows—and capsules of 20-to-100 more. Considerable production information is included to aid stations wishing to adapt a format to local needs.

Copies of *Interaction* are available for \$3 each from TIO, 666 Fifth Ave., N.Y. 19, N.Y.

\* \* \* \*

Joint program schedules of their prestige programming are now being issued by 4 Connecticut outlets. In line with the TIO-sponsored idea now in effect in several cities (Vol. 16:21, 25, 31). WTIC-TV Hartford, WNHC-TV New Haven, WHCT Hartford and WHNB-TV New Britain have initiated publication of a consolidated monthly bulletin, *Connecticut Television Information*. The "cooperative undertaking . . . provides details about the many educational, religious, news, informational, music, interview and special programs available on the 4 stations." Purpose: To point up "the scope & high quality of TV programming in the Connecticut area."

\* \* \* \*

First nationwide TIO ad is running in the Oct. issues of *Atlantic & Harpers*, Oct. 8 *Saturday Review* and Oct. 13 *Reporter*. The ad, which features the Nixon-Kennedy debates & a list of 25 special-interest programs, is designed to enlighten the public to the "enjoyment & self-fulfillment" which TV offers. TIO will continue the campaign in Nov.

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"The television debates are proving an invaluable innovation in Presidential campaigning . . . I vote for their continuance. Another act of Congress will be required as well as the willingness of the future Presidential nominees. Congressional approval ought to be readily forthcoming since the present debates are both useful and popular. When Congress considers a new law allowing the networks to put on these joint appearances—without having to guarantee equal time to minor candidates—it should give TV & radio the right to offer similar debates, on a state or regional basis, to Senatorial and Congressional candidates."—Roscoe Drummond.

"Now that face-to-face debates have been established as an essential part of Presidential campaigning, the next logical step is to get the Vice-Presidential candidates to go to the mat together . . . After all, either could become President of the United States. If it is unrealistic to think about this for 1960, it should be considered in 1964. It is too good a possibility to let slip."—N.Y. *Herald Tribune*.

"The TV debate is certain to become a permanent feature in campaigns for elective offices. But [the format] . . . is highly corruptible. [It] is a quiz show, and . . . the temptation to rig the show is almost certain to become too strong to be resisted. The only certain guarantee which the voters can have is that the 2 candidates question each other. Then rigging will be impossible."—Walter Lippmann.

First high-rated new show of the fall season is the 60-min. *Checkmate* series on CBS-TV (Sat. 8:30-9:30 p.m.) for Brown & Williamson, Kimberly-Clark and Lever Bros. Thanks to an early-season start, it showed up in the 2nd of Nielsen's September reports—and drew a 23.1 average-audience level (10.4 million homes) to land in 7th place in the AA ranks. It was the only new program in the top-10 list. The show, produced by J&M Productions and filmed at MCA's Revue Studios, probably wins at least part of its healthy rating on the basis of strong placement. It follows *Perry Mason* (12th in AA ranks) and serves as the lead-in for *Have Gun, Will Travel* (3rd in AA).

Baseball TV suit against the major leagues by the Portsmouth baseball club of the defunct Piedmont League has been rejected by the Supreme Court. The club claimed \$250,000 damages for telecasts of their games into minor territory. In a brief order, the Supreme Court refused to hear arguments in Portsmouth's appeal from a Court of Appeals decision that the major-minor contract wasn't violated by the telecasts. The club alleged that they were responsible for dwindling attendance at Piedmont League games, but the lower court held that the contract didn't extend to broadcasting.

All 7 Los Angeles stations have refused to endorse or cooperate with the Academy of Television Arts & Sciences on local awards for that city. They have refused to participate in next week's awards meeting on the grounds that no agreement has been reached on an awards formula, and there is a marked lack of enthusiasm about the Emmys. They asked the Academy to postpone the awards until a suitable structure is arranged. Mrs. Gail Patrick Jackson, ATAS pres. in Los Angeles, said nominating ballots are already being tabulated and that the awards meeting will be held despite the stations' objections.

"Television & Radio News" (Macmillan, 227 pp., \$5.95) is a treatise on broadcast journalism, by 3 veteran newsmen: ABC's Bob Siller, CBS's Hal Terkel and radio WOR N.Y.'s Ted White. Function: a guidebook that "provides the student & newcomer with the basic knowledge to launch his career and offers the professional new ideas drawn from the practices of stations & networks across the country."

Martin Enterprises Inc. of Chicago has bought TV rights to the Palm Springs golf tournament (Feb. 1-5).

## Congress

Legislative Oversight Subcommittee—Rep. Harris's (D-Ark.) quiz-payola-influence group—has served its purpose, need not be continued, according to Harris. In a recent interview on WPST-TV (Ch. 10) Miami, he stated: "We have concluded our hearings unless there is something unforeseen that comes up between now & the first of the year. We have a staff working on a report which we would expect to file on Jan. 3. So far as next year is concerned, a new Congress will determine what is ahead for the Subcommittee. But I think that I should now make my views known prior to the election. I feel that our purposes & objectives have been fairly well accomplished. We have legislation that had been proposed as a result of it. Most of the legislation already has become law by signing of the President. We have other bills pending which we will go into next year. I do not think that the Subcommittee, as now made up & has been for the last 3½ years, should be continued. We will assume the same responsibility by the full Committee."

## Television Digest

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DAVID KAUFMAN

Edward K. Mills, who was nominated to FCC but had to withdraw because of conflict-of-interest problems (Vol. 16:21 p4), has received a recess appointment on the FTC, replacing Edward T. Tait who resigned to enter private practice. Both are Republicans. Mills had to pull out of the FCC nomination because he receives income from a trust which includes GE & Westinghouse stock. Apparently that's no problem at FTC. Chmn. Earl Kintner now stands an excellent chance of remaining on FTC, regardless of which party wins the election. His term expired Sept. 25 and he's on a recess appointment. If Nixon wins, he can appoint 2 members, keep both Kintner & Mills if he chooses. If Kennedy wins, he must appoint one from each party, presumably would be under considerable pressure to keep Kintner, who is popular with Congress, but not as chairman, of course.

Raymond Guy, pioneer of Broadcast Engineering Pioneers, retires from NBC & RCA after 42 years, to become a consultant with offices at 264 Franklin St., Haworth, N.J. Guy has played a significant role in almost every broadcast development since World War I. The positions he has held include the presidency of the IRE, Broadcast Pioneers, De-Forest Pioneers and Veteran Wireless Operators Assn. Recently, the Radio & TV Executives Society cited him for having the longest continuous experience as a broadcast engineer of anyone in the world. He retired from the position of NBC senior staff engineer after serving for many years as dir. of radio & allocations engineering, in charge of planning & construction of NBC transmitting facilities.

Meetings this week: National Educational TV & Radio Center annual affiliated station mgrs. meeting (Oct. 16-18), Rickey's, Palo Alto, Cal. • Ky. Bestrs. Assn. annual fall meeting (17-19), Kentucky Dam Village State Park, Gilbertsville, Ky. • Assn. of Maximum Service Telecasters directors (18), Sheraton-Carlton Hotel, Washington, D.C. • National Assn. of Education Bestrs. annual convention (18-21), Jack Tar Hotel, San Francisco • RTES round-table with American Women in Radio & TV (19), Hotel Roosevelt, N.Y. • S. Cal. Bestrs. Assn. luncheon (20), Hollywood Knickerbocker.

## Obituary

Donald Withycomb, 63, veteran of the broadcasting business who was assistant to Merlin H. Aylesworth when he became first NBC president in 1926, died Oct. 12 at Knickerbocker Hospital, N.Y. He joined Meredith Publishing Co. in 1947, joining Voice of America in 1951 and serving in Germany. He is survived by his wife.

Basil Ruysdael, 72, former radio announcer for *Your Hit Parade*, died Oct. 11 in Los Angeles. Ruysdael had also sung for 8 seasons with the Metropolitan Opera, appeared in many movies and was Lawrence Tibbett's voice coach. During the 1930's he was an announcer, script writer and actor for WOR. He is survived by his wife.

Ralph LeRoy Harlow, 75, BMI vp, died Oct. 7 in Framingham, Mass. From 1928 to 1943 he was vp-mgr. of the Yankee Network, and in 1942 was mgr. of the Marconi wireless station in Boston. He began his career in the theater as an actor and singer. He is survived by his wife and 2 daughters.

Mrs. Slocum Chapin, 45, wife of the ABC-TV Western div. network sales vp, died Oct. 10 after a month's illness in Stamford, Conn. Besides her husband, 2 daughters, her mother and a brother survive.

**Personals:** Richard L. Freund, formerly dir. of labor relations, named ABC vp in charge of labor relations . . . Norton Bloom, ex-CBS, joins NBC as production supervisor, creative projects, NBC News & Public Affairs.

William J. Hart named gen. mgr., WILX-TV Lansing, Mich. . . Paul E. Freygang named gen. sales mgr., KRSD-TV & KRSD Rapid City, S.D. . . . John Boesel elected an A. C. Nielsen vp, best. div. . . Glenn W. Maehl named to new post of local sales mgr., KTVU Oakland-San Francisco . . . C. Greg Van Camp, ex-WTAE Pittsburgh, named educational bestg. coordinator, West Va. U. . . . James A. Gustafson, WTTG (Washington) local sales mgr., is teaching a TV-radio management course at American U. . . . John B. Soell, gen. mgr. of KTVE El Dorado, Ark.-Monroe, La., elected vp . . . Bud Wiener, ex-program mgr. of KOLD-TV Tucson, named operations mgr. of upcoming KIFI-TV (Ch. 8) Idaho Falls, due this winter . . . Irving Stevens, ex-radio KEX Portland, Ore., named sales development & promotion dir., KFMB-TV & KFMB San Diego.

Herbert E. Evans, pres. of Nationwide Mutual Insurance Co.'s Peoples Bestg. Co. (KVTW Sioux City, 4 radios), will represent NAB at Nov. 3-6 sessions of directive council of Inter-American Assn. of Bestrs. (IAAB) in Santiago, Chile . . . Lloyd E. Yoder, NBC vp & mgr. of WNBQ & WMAQ Chicago, elected a lifetime trustee of Carnegie Institute of Technology, where he was an all-American tackle and was graduated in 1927 . . . Robert A. Jolley, pres. of WFBC-TV & WFBC Greenville, S.C., named state chmn. of national business & professional committee for Democratic Presidential campaign.

Creekmore Fath, Austin, Tex. lawyer who worked with Congressional committees and at White House during Truman Administration, appointed majority counsel of Senate Commerce TV-radio equal-time "watchdog" subcommittee, replacing Joe Bailey Humphreys, who resigned to join Kennedy-Johnson campaign forces in Tex. . . . Edwin R. Schneider, ex-Bingham, Collins, Porter & Kistler, joins Washington TV-radio law firm of Segal & Marmet . . . Louis Schwartz, ex-asst. gen. counsel of NLRB, joins Krieger & Jorgensen, Washington TV-radio law firm.

Frederick Ford, FCC chmn., home with virus infection for 2 weeks, expected back in office Oct. 17; he came in Oct. 13 to hear oral argument on St. Louis Ch. 2 *ex parte* case.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**TV SALES, INVENTORY POSITION IMPROVING:** Some pickup in retail & distributor sales, reductions in inventory, brakes on production—these are signs & portents of last few weeks indicating that worst may be over in 1960's TV market readjustment.

"It won't be a boom year, but we can all make a buck," was the way one TV marketing topkick expressed outlook. Although they won't make anyone jump for joy, these recent signs contain encouragement:

Retail TV market improved slightly from Aug. to Sept., showing that there's been no collapse. Preliminary industry-wide figures indicated that Sept. sales this year were below those of Sept. 1959, but the drop from last year wasn't as great as last month's 13% dip below Aug. 1959 (Vol. 16:41 p14). Sept. retail sales were higher than Sept. 1958 sales of 605,638 (but below Sept. 1959's 684,773).

Noticeable improvement in distributor sales to dealers was reported in last 2 weeks on industry-wide basis as dealers continued to clean out old stocks. Weekly TV production figures show industry is taking danger signals seriously, cutting output. In the 5 statistical weeks comprising Sept. in EIA's calendar, production (as carried in weekly totals in these pages) was 674,482 as compared with 808,337 in Sept. 1959. In first week of Oct., output was 50,000 sets (or 27%) less than same 1959 week (see table, p. 19).

Zenith's Leonard C. Truesdell, whose stern warning in these pages last month caused considerable industry comment (Vol. 16:39 p15), told us last week that "things look a little better than they did, on an industry-wide basis. If manufacturers take care to "cut the cloth to fit the pattern"—gear production closely to rate of sales—year should end with inventories in fairly good balance, he said. He predicted "good sharp lift" in TV sales between Thanksgiving & Christmas. Zenith sales, he said, are up over last year so far in Oct., and he predicted another increase in first quarter 1961, although he forecast first-quarter industry sales somewhat below last year.

Question of TV price-increases keeps cropping up and Truesdell stated last week that Zenith is "seriously looking at the possibility of an increase in prices of a number of our models." Prices of 19- & 23-in. sets "can go up justifiably to provide dealers with better margins," he said. Despite recent shakiness of market, he saw strong possibility of "general increase in prices at industry level." Hoffman & Sylvania have already raised some prices (Vol. 16:35 p11), and any boosts by a manufacturer of Zenith's standing probably would be followed by rest of industry.

**'GOOD STEREO' DEFINED IN LISTENER TESTS:** Some widely held theories about stereo were sharply jarred last week in 2 papers presented before Audio Engineering Society's N.Y. convention. They described separate stereophonic listening tests. One paper indicated that human hearing is directional across nearly the entire band of audible frequencies. Both papers stated that music-listening test panels found stereo effect was impaired when lower frequency (bass) sounds were mixed and non-directional.

Significance of these test results (although more research on "average" listeners obviously is needed) is that they indicate that many hi-fi manufacturers may be woofing up the wrong stereo tree when they use single speaker system to reproduce all notes below 500 cycles on theory that hearing of lower frequencies is "non-directional." Tests indicated that human hearing apparently is very directional from 100 cycles to 8,000 to 10,000 cycles (maximum range of human hearing is considered to be about 30-15,000 cycles) and that eliminating directional effect of frequencies below 500 cycles appears to alter location of sound source.

The 2 tests described last week—by Bell Telephone Labs and RCA Labs—tend to corroborate earlier findings by GE radio receiver dept., which reported at last March's IRE convention that test listeners generally prefer full-separation 2-channel stereo systems to those in which lows are mixed together (Vol. 16:13 p19).

Last week's reports were both based on research for stereo radio system development, in attempt to determine exactly how far stereo channel separation need be carried to provide good stereo. Both tests used listener panels making comparative "blind" tests, judging apparent spatial changes in sound direction as upper & lower limits of stereo sound separation were changed.

Bell Labs' experiments, conducted in connection with NSRC's "subjective aspects" panel for preparation of test tape for stereo FM field tests, used 10 "critical observers" familiar with stereo, whose hearing had been carefully tested. Loudspeakers were placed 7 ft. apart with listener centered 10 ft. from each. Each listener compared spatial effects of "straight stereo" with various versions of "modified stereo" in which separation cut-off frequencies were changed. Principal conclusions of tests, as outlined by Bell Labs' F. K. Harvey & M. R. Schroeder:

Stereo spatial reproduction can be considered "good" when full-channel separation is maintained from 100 cycles to about 8 kc, or when a channel separation of 16 db is maintained across the entire frequency band. If cut-offs of stereo separation are applied at the 100-cycle & 8-kc points, channel separation should be increased to 20 db.

In examining Bell Labs' experiments, it's interesting to note that when lower cut-off frequency was 500 cycles, all listeners detected a spatial difference from full-range stereo, and an average of fewer than 20% found "good" spatial resemblance to full-range stereo. (Most stereo phonos without bass separation use 500 cycles as the point below which there is no stereo effect.)

Among other results, Bell Labs found that an amplitude (loudness) difference of 3 db between channels appears to pull the music off center. It found, too, that a 2-in. displacement of one loudspeaker (either forward or back) also distorted directionality of musical images which are supposed to originate from center point between both speakers. At the distances used in Bell Labs' tests, it was found that "a center listener needs to confine his sidewise movement to about plus-or-minus 4 in. to preserve center images."

Adding up the 2 stereo channels doesn't always result in good monophonic programming, Bell Labs found—a finding which will be mentioned in NSRC field-test report (see above). When both channels of stereo tape or disc are fed into single amplifier-reproducer system, compatibility isn't necessarily perfect. Said the Bell Labs report: "Out-of-phase effects in the program material itself, or due to tape-head misalignments in the multiple generation recording & reproducing, or even resulting from the movement of the performer in front of paired microphones, all contribute to degradation in the summed program."

RCA Labs' tests, using different procedures, reached quite similar conclusions on issue of separation at various frequencies. With speakers 10 ft. apart and listeners slightly more than 10 ft. from both speakers, series of tests described by Donald S. McCoy led to these conclusions:

"Some directional information is conveyed by frequency components over almost the entire audio-frequency band" and full stereo separation between channels from 100 cycles to 10 kc "is required to provide an almost undetectable distortion of auditory perspective." RCA's tests showed, however, that "the components [of the audio-frequency spectrum] at the extremes of this range are somewhat less important to localization [of sound] than the components in the middle range."

**NSRC COMPLETES FM STEREO WORK:** "Among the FM stereo systems we examined are some very good ones. Any one of the systems can provide pretty good stereo. All of them work quite well down to low field strength. FM radio can provide stereo inexpensively."

These are personal observations of A. Prose Walker, NAB engineering dept. mgr. & chairman of field-test panel of intra-industry National Stereophonic Radio Committee, which wound up work last week on completion of voluminous report on field tests of 6 FM stereo radio systems. Report won't be made public until parent EIA files it with FCC on or before Oct. 28 deadline.

Report, which gives comparative measurements for all systems (but makes no recommendations), was approved unanimously by all members, representing top engineers of many radio manufacturers and others. In addition to measurements, report contains an appendix in which proponents of each system were given opportunity to comment.

Field test report will discuss briefly the question of compatibility of stereo programming when reproduced monophonically, although this issue is not included specifically in panel's "terms of reference." Report will mention (as did Bell Labs' listener test report above) that some stereo material doesn't provide satisfac-

tory monaural fare. One area not explored by field-test panel is effect of co-channel & adjacent-channel interference on stereo FM reception. This is actually a lab problem and some proponents are making measurements in this area, to be filed separately with FCC.

Principal section of report will cover standard measurements of all systems, including channel separation, frequency response, signal-to-noise ratio, etc. at various field strengths. For the layman, it won't make exciting reading, but it will help immeasurably in speeding FCC's choice of a broadcast system which provides complete 2-channel stereo and a compatible monophonic signal on a single FM channel.

**JAPAN-TO-U.S. ELECTRONICS EXPORTS UP 75%:** Exports of Japanese electronic products to U.S. totaled \$38.7 million during 1960's first half, 75% higher than the \$22.1 million in the same 1959 period. This was reported last week by electronics div. of Commerce Dept.'s Business & Defense Services Administration on basis of figures from Japan's Ministry of International Trade & Industry.

Radio receivers continued to be by far the predominant product classification, accounting for 77% of all Japanese electronics exports to U.S. Radio exports gained 69% over the corresponding 1959 period and would have been even greater had not Japanese govt. clamped embargo on radio exports to U.S. from mid-May to July 1, while export quotas were being established (Vol. 16:20 p17, 27 p14).

Exports of sound recorders showed biggest percentage boost in 1960, rising 294% from 7,000 in Jan.-June 1959 to 34,000 in same 1960 period. Radio-phonos were up 92% in same period, receiving tubes 259%, capacitors 136%, speakers 128%. Exports of transistors increased very little in number of units, but higher average price boosted value of transistor exports by 21%.

U.S. continues to account for some 50% of Japan's electronics exports—about same as last year. Her electronics exports to U.S. in this year's 2nd quarter alone, incidentally, totaled \$22.8 million, or more than the figure for entire year of 1958.

This breakdown, by product category, shows Japanese exports to U.S. for first half 1960 compared with first-half 1959 and full years of 1959 & 1958 (converted at rate of 360 yen = \$1):

### JAPANESE EXPORTS OF ELECTRONIC PRODUCTS TO U.S.

Product	Quantity in thousands of units				Value in thousands of dollars			
	1958	1959	1959	1960	1958	1959	1959	1960
Radio receivers, total .....	2,507	6,052	2,183	2,922	17,904	62,373	17,584	29,796
tube type .....	*	457	183	282	*	2,552	1,003	1,938
3 or more transistors .....	*	3,990	1,154	1,840	*	57,272	15,847	25,440
other .....	*	1,605	846	800	*	2,549	734	2,418
Radio-phonographs .....	2	21	6	10	59	547	149	286
Sound recorders & reproducers ..	8	41	7	34	449	1,617	363	1,429
Amplifiers .....	†	34	13	38	†	460	151	237
Microphones .....	80	161	80	122	177	321	156	204
Speakers .....	129	455	132	815	420	1,155	453	1,033
Capacitors .....	6,166	8,925	3,454	6,968	288	533	203	480
Earphones .....	†	2,741	808	1,158	†	619	190	248
Electron tubes, total .....	1,238	7,911	2,268	6,839	314	2,088	558	1,839
receiving tubes .....	*	7,704	2,079	6,829	*	2,034	511	1,833
other .....	*	207	189	10	*	54	47	6
Transistors .....	11	2,393	823	832	7	1,581	521	631
Other semiconductor devices .....	†	597	280	56	†	92	42	9
Phonograph parts & accessories ..	—	—	—	—	757	824	389	457
Other electronic products .....	—	—	—	—	1,400	3,432	1,342	2,060
<b>TOTAL .....</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>21,775</b>	<b>75,642</b>	<b>22,101</b>	<b>38,709</b>

\* Not shown separately. † Included in "Other electronic products."

**TV-RADIO PRODUCTION:** EIA statistics for the week ended Oct. 7 (40th week of 1960):

	Sept. 30-Oct. 7	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	131,583	150,503	181,845	4,500,249	4,670,958
Total radio .....	426,968	521,194	429,245	12,830,375	11,357,198
auto radio .....	169,171	264,212	136,815	4,951,007	4,288,582

**Ampex's Self-Threading Tape:** With a simple but ingenious device, Ampex may have gone a long way toward solving one of the problems many merchandisers believe is impeding sales of home tape-recorders and pre-recorded tape. Ampex Professional Products Co. last week showed an automatic tape-threading accessory for its new PR-10 broadcast-type tape recorder. But the new self-threader, which operates itself in 2 seconds, is so inexpensive (\$35 in professional version) that it seems a natural for the home field, and there's good reason to believe Ampex Audio (consumer tape recorders) may offer a home version of it.

The principal is so simple that threading of any home tape recorder becomes semi-automatic just by using the special reels & leader tape developed by Ampex for the accessory—with no conversion required. In the complete, motorized version demonstrated last week, threading operation is done this way: The reels are placed on the recorder in the usual manner, the tape leader end protruding slightly from the full reel. A touch of a switch completely threads the tape, from reel to reel.

Invented by Ampex engineer George Rehklau, the complete automatic device employs 2 inexpensive motors, special plastic reels and plastic leader tape. As demonstrated at Audio Engineering Society convention in N.Y., the recorder had a plastic channel to guide the tape through the head assembly. The small motors operated supply & take-up reels. A stiff but flexible plastic leader, formed into a flat hook at its end, automatically guides itself through the head assembly and then onto the special reel when the motors are engaged. The special reel has channels which engage the end of the plastic leader and guide it to a slot in the hub.

Ampex officials said reels and leader-tape could be manufactured inexpensively. We tried the threading operation both with the special motors and without the motors (turning the reels by hand) and found it to be a practically foolproof operation.

For semi-automatic tape threading, the special reels need only be dropped onto any conventional tape recorder. The special leader can easily be pushed manually through the head assembly; then a twist of the take-up reel firmly engages it in place for playing.

Added advantages of the Ampex reel (not yet in production): Sides are solid plastic and the tapered plastic leader seats firmly in the reel, providing a dustproof seal for the reel of tape and preventing tape spillage.

Strikebound GE & IUE were still deadlocked over key issues as we went to press, after 13 days of picket-line violence & apparently fruitless negotiations. The IUE walkout, which began midnight Oct. 1 (Vol. 16:41 p16), threatened to spill over to Westinghouse, where the present contract was slated to expire midnight Friday. Meanwhile, federal mediation chief Walter A. Maggioli stepped into the GE-IUE picture in an attempt to resolve differences.

Use of wireless remote controls to operate household appliances & other consumer products will be pushed by Admiral's new Ensign Div., formed to produce & market remote controls & record changers to industry. Admiral itself plans to introduce wireless remote control in one of its appliances next year.

First Capehart portable TVs are priced at \$199.50 & \$209.50. Through a typographical error, an incorrect figure was given in a recent report (Vol. 16:39 p16).

"Presidential debate" promotion—including special window displays—is being offered to Admiral dealers.

Factory sales of picture & receiving tubes in August were the highest of any month this year and also exceeded the Aug. 1959 totals by a substantial margin, according to EIA figures released last week. August picture-tube sales of 928,164 units at \$18,843,067 compared with Aug. 1959 sales of 823,098 at \$15,493,908, while receiving tube sales were 38,540,000 units at \$31,702,000 vs. 35,435,000 at \$28,974,000. For the first 8 months of 1960, picture-tube sales were well ahead of 1959, but receiving-tube sales continued to lag below last year's mark, as shown in the table below:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	795,250	\$15,831,430	31,367,000	\$26,872,000
February .....	741,233	14,495,480	32,734,000	27,881,000
March .....	794,375	15,654,281	36,382,000	31,751,000
April .....	707,252	13,782,769	29,737,000	25,759,000
May .....	659,859	13,329,826	30,354,000	25,580,000
June .....	756,827	15,505,481	33,916,000	29,065,000
July .....	681,1785	13,898,468	34,883,000	28,810,000
August .....	928,164	18,843,067	38,540,000	31,702,000
Jan.-Aug. 1960 .....	6,064,745	\$121,340,802	267,847,000	\$226,909,000
Jan.-Aug. 1959 .....	5,943,985	114,398,631	273,808,000	234,534,000

Canadian TV sales to dealers rose 43% in August from July, but still ran markedly behind the year-ago volume, reports EIA of Canada. The year-to-date volume totaled 184,155 TVs vs. 222,552 in Jan.-Aug. 1959. The Aug.-1960 sales totaled 28,091 units, down from 31,105 a year ago. The 8-month breakdown (corresponding 1959 figures in parentheses): Portables, 36,602 (40,722); table models, 37,298 (58,383); consoles, 102,102 (116,172); combinations, 8,153 (7,275). For Aug. 1960 (vs. Aug. 1959): Portables, 3,812 (3,501); table models, 5,949 (6,245); consoles, 16,748 (20,259); combinations, 1,582 (1,100).

RCA's 4th-quarter ad campaign for color & b&w TV, radios and phonos will provide "almost 3 billion impressions on RCA Victor products during the peak fall selling season," reports Sales Corp. ad & sales promotion mgr. Jack M. Williams. The campaign embraces 55 min. of commercials on the co-sponsored NBC-TV color shows *Bonanza* and *The Shirley Temple Show*, 32 pages of national magazine advertising, and "a series of factory-sponsored newspaper insertions for the first time in a number of years." Williams added: "These efforts, coupled with an expected increase in distributor co-operative advertising in newspapers, local radio & TV, billboards and in-store promotions will give us one of the most extensive RCA Victor fall ad campaigns in our history."

Motorola's Astranaut transistor TV is selling well, according to consumer-products mktg. vp S. R. (Ted) Herkes. The company is back-ordered on the 19-in. battery sets (list price \$275 plus \$88 for battery), said Herkes, describing current production rate as "good." In N.Y. recently, Friendly Frost appliance chain promoted the Astranaut in large newspaper ads with the notation: "Now taking orders for future delivery."

Zenith enters miniature radio field with an all-American-made shirt-pocket transistor set to list at \$29.95. Zenith Sales Corp. Pres. L. C. Truesdell, noting that miniature radios account for 25% of all single-band portable sales, predicted that the new Royal 50 will become the largest-selling radio in Zenith history.

Westinghouse light-amplifier tube, the Astracon, is now in production. Sample tubes, at \$7,500 each, are now available. An important initial use of the tube is expected to be amplification of telescope images.

Vitro Corp. of America's Nems-Clarke Co. div. (electronic components & equipment, broadcast products) has been re-named Vitro Electronics.

**Trade Personals:** Wendell Smith, ex-dir. of mktg. research & development, appointed RCA staff vp, mktg. development . . . George W. Westfall, ex-Westfall, ex-Hotpoint mgr. of sales & mkt. research, appointed to new post of EIA mktg. research dir. in expansion of the manufacturer association's marketing studies . . . C. Fred Parsons, former Motorola consumer products div. merchandising mgr., named gen. mgr. of Motorola's Chicago factory branch.

Joseph P. Gordon, ex-Du Mont Labs, named to new post of cathode ray tube div. vp, Electronic Tube Corp. . . . Alfred Strogoff promoted from mktg. vp to vp-gen. mgr., Adler Electronics . . . Charles D. Alkman named mfg. vp, Reeves Soundcraft . . . Joseph T. Cimorelli named RCA receiving tube operations engineering mgr.; Kenneth G. Bucklin appointed to new post of new products engineering mgr., electron tube div.

Charles R. Burke, ex-Westinghouse, appointed district sales mgr., Philco's new Dallas computer div. (Suite 1236, Exchange Bank Bldg., Exchange Park, Dallas) . . . Tore N. Anderson named FXR pres., succeeding Henry Feldmann, company founder, who was elected to new post of chmn. . . . Forbes Morse named vp, Waltham Precision Instrument, continuing as pres. of Waltham's recently acquired Electro-Mec Lab. . . . Glenn E. Ronk, ex-industrial & military sales mgr., named gen. sales dir., Cornell-Dubilier electronics div. of Federal Pacific Electric Co.; Rear Adm. Carl F. Stillman (USN ret.) joins Cornell-Dubilier as administrative asst. to the mktg. vp.

GE receiving tube dept. has named Gardner Advertising, St. Louis, for advertising & sales promotion of tubes & components. Account formerly was handled by Maxon.

Dr. Harry F. Olson, RCA Labs, was installed as president of the Audio Engineering Society Oct. 11 at the group's convention in N.Y. Other new officers: Hermon H. Scott, H. H. Scott Inc., exec. vp; L. R. Burroughs, Electro-Voice, Central vp; Pell Kruttschnitt, Capitol Records, Western vp; Re-elected: C. J. LeBel, Audio Instrument Co., secy.; R. A. Schlegel, WOR N.Y., treas. Newly elected governors: Murray G. Crosby, Crosby Electronics; John M. Hollywood, CBS Labs; Dr. M. R. Schroeder, Bell Telephone Labs. Awards: John H. Potts Memorial Award, to Dr. S. J. Begun, Clevite Corp., in recognition of more than 30 years of research toward better sound transmission & recording; Emile Berliner Award, to Rene Snepvangers, Electrosonic Labs, for contributions to fine-groove disc recording; AES Award, to Harvey Sampson Jr., Harvey Radio Co., for service to the Society.

RCA Chmn. David Sarnoff arrived in Japan Oct. 11 for an 18-day visit. Among his activities will be a luncheon for 82 Japanese students who have been awarded David Sarnoff RCA scholarships.

## Obituary

Fredrick Dietrich, 80, pioneer in radio mfg., died Oct. 9 in N.Y. after a brief illness. He became head of Charles Brandes Inc. (head set receivers) in 1909. The company was later merged with Federal Telephone & Telegraph, which then was absorbed by ITT. His wife survives him.

Herman M. Stein, 72, president of Davega Stores Corp. from 1929 until his resignation last year, died Oct. 12 at his home in Lawrence, N.Y. after a brief illness. Among other posts, he was formerly secy.-treas. of radio WMCA N.Y. He is survived by his wife, a son and 3 grandchildren.

Rejection of color TV by Canada's Board of Broadcast Governors (Vol. 16:40 p11) has drawn a sharp retort from the Dominion's electronics industry. Fred W. Radcliffe, EIA of Canada gen. mgr., called the rejection "very disappointing." Commented EIAC: "The basing of the decision, in part as reported in the daily press, on a current lack of viewer demand for color appears very short sighted & irrational in the industry's opinion . . . Color TV can only be exposed to the Canadian public by Canadian TV stations being licensed to transmit it. Once Canadians generally have an opportunity to see for themselves how much better color TV is, and are given adequate programming & reasonably priced merchandise, then in our opinion they will demand it." The BBG decision noted the slow growth of color TV in the U.S., concluded that "the time has not yet come for the introduction of color telecasting in Canada."

Admiral's latest tack in its Buy-American crusade is a campaign calling attention to the Underwriters Laboratories seal of approval on its own products. All salesmen have been informed by Admiral that imported TVs, radios & phonos generally aren't UL-approved (Vol. 16:22 p17). Admiral, incidentally, has mailed out nearly 30,000 copies of its booklet on Japanese electronics (Vol. 16:34 p16) to dealers, members of Congress, etc., and spokesmen say reaction to the literature has been good. Copies of the booklet are still available from Admiral.

Applied research in picture tubes and other visual display & storage devices for home & military uses will be conducted by a new advanced projects operation in GE's cathode-ray tube dept. Located in Syracuse, the new facility has been charged with exploring scientific discoveries from GE Research Lab, adapting them to potential products and conducting long-range market research & product planning. It will concentrate on "demands of the future for drastically new & different" visual devices. Channing Dichter, former mgr. of industrial & military operations for special-purpose tubes, heads the new operation. M. B. Lees heads market research & product planing.

TV sets are high on shopping lists of Iron Curtain officials who visit this country, apparently. Following the example set by Yugoslavia's President Tito, who toted home portable TVs, Russia's Khrushchev had an undisclosed number of portable TVs—plus radios, air conditioners, auto supplies, etc.—loaded aboard the liner Baltika before he emplaned for home last week.

"To advance basic research" in electronics, Collins Radio Co. announced it will establish a corporate research div. at a site to be selected "in close proximity to a university in Southern California." The new division, which will begin operation in 1962, will explore virtually all electronics fields, and will be headed by Dr. R. L. McCreary, now dir. of research at the Cedar Rapids div.

TV set that's worn on the head—in 3-D yet—has been patented by Morton L. Heilig of N.Y. The stereo TV system, somewhat bigger than a stereo slideviewer, is strapped to the viewer's head. Two small picture tubes—one for each eye—are contained in the headpiece. If there's any room left on the viewer's head, he can wear earphones to hear the sound.

Zenith will introduce new tuner in some of its sets next January, according to grapevine reports in the industry. The super-sensitive tuner is understood to be among 4 major chassis changes contemplated for midwinter addition to its line.

## Finance

**GE ON SALES-PROFIT SLIDE:** Strike-hobbled General Electric delivered more unhappy news to stockholders last week: Profits fell 11%, sales 3% during 1960's first 3 quarters (see financial table). The slide quickened in the September quarter as net income dropped 20% below the year-ago level and sales sagged 4%. Cautioned Chmn. Ralph J. Cordiner: "Somewhat lowered volume & earnings for the 4th quarter" and the total year will result from the current IUE strike affecting 70,000 workers at 55 GE plants.

The downbeat 3rd-quarter, Cordiner explained, reflected a general softening of prices, developmental costs on a number of new GE ventures, and a slowdown in sales of large household appliances. These major appliances are now selling at 1951-52 levels, he said, adding: "The total electrical industry is operating at not much more than half capacity, reflecting both expanded capabilities of major producers and the entrance of so many new competitors in the field." He noted that GE's order backlog for heavy capital goods & defense products is up 12% from a year ago.

"As we progress into the 1960's," he said, "the company is being reoriented from its concentration on traditional apparatus & consumer goods to the products of more advanced technologies. Significantly, already a quarter of the total business of the company, or something over \$1 billion of annual volume, is in the field of electronics. This probably means that GE may be the largest producer of electronic components & equipment in this country."

**Mergers & acquisitions:** Meredith Publishing (WHEN-TV & WHEN Syracuse, WOW-TV & WOW Omaha, KPHO-TV & KPHO Phoenix, KCMO-TV & KCMO Kansas City, Mo., radio KRMG Tulsa, *Better Homes & Gardens*, *Successful Farming*) plans to purchase closely-held N.Y. book publisher Appleton-Century-Crofts. The transaction has been approved by the directors of both concerns, and is contingent upon 80% of Appleton's 17,000 shares of stock being tendered. Meredith's offer to purchase the stock expires Nov. 20 • GT&E International has acquired for an undisclosed price a majority interest in the radio communications div. of Milan, Italy-based Magnetti Marzelli • Hudson Radio & TV and Terminal Electronics have merged to form Terminal-Hudson Electronics • Cook Electric stockholders have approved the acquisition of N.R.K. Mfg. & Engineering Co., Chicago maker of microwave components. N.R.K. shareholders previously approved the transaction.

Thompson Ramo Wooldridge's stock-market symbol has been changed to TRW from THO.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Allied Radio .....	Q	\$0.08	Nov. 18	Nov. 4
Allied Radio .....	Stk.	2%	Nov. 18	Nov. 4
Buckeye Corp. ....	Stk.	1%	Oct. 31	Oct. 17
Crowell-Collier .....	Stk.	4%	Dec. 7	Nov. 14
General Instrument ...	—	.15	Dec. 9	Nov. 10
Gross Telecasting ....	Q	.40	Nov. 10	Oct. 25
Gross Telecasting "B"	Q	.07½	Nov. 10	Oct. 25
Liquidometer .....	—	.50	Nov. 25	Oct. 21
Liquidometer .....	Stk.	100%	Nov. 25	Oct. 21
National .....	Stk.	2%	Dec. 30	Dec. 9
Republic Corp. ....	—	.15	Nov. 15	Nov. 4
Terminal-Hudson ....	New	.06	Oct. 27	Oct. 17

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

Admiral. Joseph E. Dempsey sold 4,000, held none.
Allied Artists. George N. Blatchford sold 500, held 200. Roger W. Hurlock bought 300, held 19,900.
AB-PT. Edward L. Hyman sold 3,000, held 6,000. James G. Riddell sold 100, held 1,600.
Amplex. Herbert L. Brown exercised option to buy 1,125, held 1,923. Murray Innes Jr. sold 1,000 from trusts, held none in trusts, 3,000 personally. Henry A. McMicking sold 11,250, held 52,235.
Audio Devices. Joseph K. McCammon sold 1,000, held 12,006. L. M. McHugh sold 1,000, held 1,000.
Avco. A. R. Kantrowitz exercised option to buy 2,500, held 8,500. Matthew A. McLaughlin sold 3,300, held 6,000. W. A. Mogensen sold 3,000, held 6,000.
Belock Instrument. S. R. Grant bought 1,000 warrants held 1,000.
Capital Cities Bctg. William J. Casey sold 200, held 42,008 personally, 2,109 in foundation. Donald A. Pels sold 200, held 500, bought 1,000 warrants, held 1,000.
Cohu Electronics. Henry W. Cohu sold 1,000, held 7,034. Ernest A. Massa bought 2,000, held 2,000.
Collins Radio. Max W. Burrell sold 2,500, held 254. L. Morgan Craft acquired 741 as dividend and 25 more for trust as dividend, converted 86 for trust, held 19,263 personally, 646 in trust. M. L. Doelz sold 542, held none. Robert S. Gates converted 110 for trust, held 646 in trust, 22,441 personally.
Electronics Capital. Alfred J. Coyle sold 110 through Hayden Stone & Co., held none in Hayden Stone & Co., 200 personally.
Filmways. Drummond Drury sold 680, held 500. Richard B. Sage sold 400, held 8,905.
Friden. R. E. Busher bought 5,000, held 6,343 personally, 543 for wife.
General Dynamics. F. de Hoffmann sold 1,300, held 723. Patrick J. Sullivan sold 100, held 400.
GE. Hubert W. Gouldborpe bought 360, held 1,607. Edwin H. Howell exercised option to buy 813, held 2,378. Carter L. Redd exercised option to buy 504, held 3,797, 7 for wife, 542 for son, 1,350 in trust.
General Transistor. Bernard Jacobs bought 2,300, held 4,100.
Globe-Union. Walter E. Anderson exercised option to buy 1,400, held 3,850 personally, 505 in trust. Ralph W. Conway exercised option to buy 100, held 2,350. George C. French Jr. bought 200, held 4,375 personally, 112 for members of family.
Hazeltine. Harold W. Wheeler sold 2,500, held 5,150.
Herold Radio & Electronics. Shepherd Freedland bought 200 and sold 700, held none.
Indiana General. Henry H. Arnhold sold 700, held 27,300. J. H. Bouwmeester sold 204 Class A, held 10,988.
IBM. John J. Bricker exercised option to buy 500, held 1,323. Albert L. Williams sold 400, held 3,299.
Lear. Joseph M. Walsh exercised option to buy 2,050, held 2,183. Litton Industries. Henry Salvatori sold 2,000, held 78,800 and 13,000 more subject to escrow by issuer.
Loral Electronics. Sheldon Simon sold 500, held 25.
MGM. Benjamin Thau exercised option to buy 4,101, held 4,101. Joseph R. Vogel exercised option to buy 3,728, held 15,378.
Motorola. Charles E. Green sold 1,000, held 2,520.
National Theatres & TV. Samuel Fisks sold 12,000, held 50,164.
Paramount Pictures. Y. Frank Freeman sold 700, held 2,000.
Pentron Electronics. Richard F. Dooley sold 3,000, held 4,363.
Kenneth C. Prince sold 2,506, held 6,000.
Philips Electronics & Pharmaceutical. James J. Colt sold 100 from Colt Foundation, held 63,053 in Colt Foundation, 3,834 personally.
RCA. Elmer W. Engstrom exercised option to buy 500, held 3,972. Ernest B. Gorin exercised option to buy 1,300, held 1,555. Theodore A. Smith sold 325, held 2,652. William W. Watts exercised option to buy 2,000, held 2,796.
Raytheon. David D. Coffin sold 2,000, held 1,812.
Sieger. Merrill L. Bengston sold 3,000, held 7,255.
Texas Instruments. W. O. Coursey sold 100, held 5,745. S. T. Harris sold 2,100, held 17,920 personally, 454 in Trust A, 584 in Trust B. W. F. Joyce sold 500, held 7,545. R. W. Olson sold 700, held 11,950.
Trans Lux. Harry Brandt bought 900 personally and 1,300 more for foundations, sold 1,500 from foundations and 600 more through Pamela Amusement Co., held 161,900 personally, 35,180 in foundations, 800 in Pamela Amusement Co., 17,000 for wife, 100 in Barvic Theatres, 2,000 in Brapick Inc., 200 in Marathon Pictures, 400 in Bilpam Corp.
Tung-Sol. Milton R. Schulte bought 300, held 3,486.
Variar Associates. C. V. Heimbucher exchanged 2,500 for Centennial Fund Inc. shares, held 29,186. Richard M. Leonard exchanged 1,000 for Centennial Fund Inc. shares, held 27,263. Decker G. McAllister exchanged 2,500 for Centennial Fund Inc. shares, held 22,888. Sigurd F. Varian sold 800 from community property, held 74,148 in community property, 6 personally.
Walt Disney Productions. W. H. Anderson bought 500, held 500.
Warner Bros. J. B. Conkling exercised option to buy 5,000, held 5,000.
Webcor. Edward J. Ryan bought 124, held 1,515.
Westinghouse. John A. Hutcheson sold 6,620, held none. Russell B. Read sold 100, held 1,286. Charles C. Shutt exercised option to buy 1,040, held 3,000. Tom Turner exercised option to buy 500, held 5,830.
Zenith. J. E. Brown bought 600, held 600. Eugene M. Kinney sold 400, held 2,591. Hugh Robertson sold 600, held 6,708.

**Friendly Frost** (radio WGLI Babylon, N.Y., operator of 20 Friendly Frost Stores appliance & houseware outlets, other retail & service activities) is now traded on the American Stock Exchange. Symbol: FF. Friendly Frost has 934,620 shares of common stock outstanding.

**National Co.** is now traded on the American Stock Exchange. Symbol: NCI.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1960—12 mo. to Aug. 31	\$7,747,195,000	—	\$1,178,374,000	\$5.45	216,226,000 <sup>1</sup>
	1959—12 mo. to Aug. 31	7,205,246,000	—	1,072,200,000	5.05	212,281,000 <sup>1</sup>
	1960—qtr. to Aug. 31	1,991,202,000	—	308,204,000	1.40	220,667,000 <sup>1</sup>
	1959—qtr. to Aug. 31	1,862,515,000	—	278,729,000	1.30	213,817,000 <sup>1</sup>
Collins Radio	1960—year to July 31..	190,837,480 <sup>a</sup>	\$ 13,731,881	6,560,596 <sup>b</sup>	3.04 <sup>c</sup>	2,149,172 <sup>d</sup>
	1959—year to July 31	117,864,139	7,662,958	3,718,817	1.87 <sup>c</sup>	1,885,880 <sup>d</sup>
Columbia Pictures	1960—year to June 25	—	—	1,905,000 <sup>e</sup>	1.31 <sup>f</sup>	1,287,109
	1959—year to June 25	—	—	(2,445,000) <sup>g</sup>	—	1,239,365
Erie Resistor	1960—36 wks. to Sep. 4	18,087,084	—	280,595	.28 <sup>h</sup>	—
	1959—36 wks. to Sep. 4	16,418,002	—	201,225	.17 <sup>h</sup>	—
GE	1960—9 mo. to Sep. 30	3,053,223,000	337,812,000	168,935,000	1.91	—
Story on p. 22.	1959—9 mo. to Sep. 30	3,142,297,000	394,805,000	189,512,000	2.16	—
	1960—qtr. to Sep. 30	1,030,524,000	109,935,000	57,506,000	.65	—
	1959—qtr. to Sep. 30	1,076,850,000	151,069,000	72,273,000	.82	—
General Instrument <sup>7</sup>	1960—6 mo. to Aug. 31	26,452,782	2,177,368	1,001,368	.56	1,773,523
	1959—6 mo. to Aug. 31	25,381,254	1,329,100	613,610	.40	1,524,923
	1960—qtr. to Aug. 31	13,441,872	1,240,445	570,445	.32	1,773,523
	1959—qtr. to Aug. 31	12,652,400	872,300	402,500	.26	1,524,923
IBM	1960—9 mo. to Sep. 30	1,040,572,434 <sup>a</sup>	246,188,057	119,088,057 <sup>b</sup>	6.51	18,302,058
	1959—9 mo. to Sep. 30	940,896,512	210,560,050	101,684,050	5.57	18,257,133
Lafayette Radio Electronics	1960—year to June 30	18,128,306 <sup>a</sup>	—	565,665 <sup>b</sup>	.55	1,025,000
	1959—year to June 30	14,331,842	—	310,027	.39	800,000
P. R. Mallory	1960—9 mo. to Sep. 30	63,558,601	6,242,603	2,921,212	1.92 <sup>c</sup>	1,442,739 <sup>d</sup>
	1959—9 mo. to Sep. 30	63,795,410	6,183,855	3,000,590	1.97 <sup>c</sup>	1,442,739 <sup>d</sup>
Movielab Film Labs	1960—26 wks. to July 2	2,543,150	—	114,316	.37	312,500
	1959—26 wks. to July 2	1,974,280	—	68,556	.27	250,000
Video Corp.	1960—year to July 31	608,710	—	59,820 <sup>b</sup>	.20	300,000
	1959—year to July 31	382,226	—	32,727	.14	240,000
Western Union	1960—8 mo. to Aug. 31	181,633,684	—	7,000,704	1.09	6,394,966
	1959—8 mo. to Aug. 31	183,637,055	—	9,911,422	1.56	6,356,223
Wometco	1960—36 wks. to Sep. 10	8,506,085	—	700,937	.72	—
	1959—36 wks. to Sep. 12	7,056,088	—	510,306	.57	—
	1960—12 wks. to Sep. 10	2,979,132	—	210,702	.21	—
	1959—12 wks. to Sep. 12	2,315,709	—	139,019	.16	—

Notes: <sup>1</sup>Average. <sup>2</sup>Record. <sup>3</sup>After preferred dividends. <sup>4</sup>Adjusted to reflect Aug.-1960 4% stock dividend. <sup>5</sup>Excludes \$202,000 profit (which added 16¢ to per-share earnings) on sale of studio facilities. <sup>6</sup>Excludes \$2,596,000 profit on sale of studio facilities. <sup>7</sup>Does not include newly-merged General Transistor (Vol. 16:36 p15). <sup>8</sup>Outstanding Sep. 30, 1960.

Reports & comments available: P. R. Mallory, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • Tung-Sol Electric, report, A. M. Kidder & Co., One Wall St., N.Y. 5 • Columbia Pictures, review, Herzfeld & Stern, 30 Broad st., N.Y. 4 • Hallicrafters, report, B. N. Rubin & Co., 56 Beaver St., N.Y. 4 • Topic Electronics, offering circular, Morris Cohen & Co., 19 Rector St. N.Y. 6 • Foto-Video Electronics, prospectus, Fund Planning Inc., 15 E. 40th St., N.Y. 16 • Federal Pacific Electric, prospectus, H. M. Bylesby & Co., 405 Lexington Ave., N.Y. 17 • "The Major Broadcasters," profile in Oct. 12 *Financial World* • AB-PT, analysis, Newburger, Loeb & Co., 15 Broad St., N.Y. 5 • Radio Shack, prospectus, Granbery, Marache & Co., 67 Wall St., N.Y. 5.

Crosby-Teletronics Corp. (hi-fi components, test instruments, facsimile gear) expects sales of \$1.5 million for the year ending Aug. 31, with profit of close to \$100,000 (after deducting an expected operating loss from subsidiary Crosby Electronics). "The company definitely has turned the corner," said Pres. Murray G. Crosby, pointing to a \$1.5-million order backlog. For 10 months to Aug. 31 he said, sales totaled \$993,000, with a profit of \$93,000. The company has a "substantial" tax-loss carry-over from previous years.

P. R. Mallory expects a record 1960 profit—"around 2%" above the \$2.87 a share earned in 1959 on sales of \$86.5 million. Pres. B. Barron Mallory forecast that improved sales & elimination of non-recurring expenses in the final quarter will more than offset Jan.-Sept.'s off-pace performance: Profits down 5% from \$2.01 a share on sales "about the same" as the \$63.8 million posted a year ago. "Volume pepped up noticeably" during August & September, he said, and "incoming orders are keeping up with deliveries, although unfilled orders are down about 10% from the 1959 year-end figure" of \$10,350,000. The Mallory president said that no public financing is contemplated "for some time to come." Additional funds needed for expansion will be from retained earnings or short-term borrowing.

Western Union will construct & lease to the Air Force a \$67-million nationwide combat-logistics communications network linking approximately 450 bases, air stations, depots and civilian suppliers. The system initially will handle 100 million words daily when it goes into full operation early in 1962. The Air Force will lease the network from WU at a yearly rental of \$22 million. RCA has been named principal subcontractor to WU, and will have responsibility for manufacturing & assembling the system's electronic equipment at a cost of about \$50 million.

Pentron Electronics foresees a sales rise to \$4 million in fiscal 1961 (ending June 30) from \$2.9 million in fiscal 1960 (Vol. 16:41 p20), Pres. Theodore Rossman told the Chicago firm's first annual meeting last week. He said fiscal-1961's first quarter (July-Sept.) sales & earnings were down, due to a recession in the electronics industry, but that incoming orders were accelerating. He told stockholders that about 75% of Pentron's business is in tape recorders. Although the company is talking merger with 2 companies, including one which emphasizes defense work, Pentron plans to maintain its consumer-product activities at 70-to-75% of total volume.

Electronics Capital Corp., the small-business investment company headed by Charles E. Salik, increased its portfolio to 14 last week by investing \$900,000 in 2 additional electronics firms. ECC purchased \$400,000 of 8% convertible debentures (convertible into 45% of total common stock) & \$100,000 senior notes of Quan-Tech Labs, Boonton, N.J., and \$300,000 of 8% convertible debentures (into 25% of total common) & \$100,000 senior notes of Neff Instrument, Duarte, Cal. Both concerns specialize in precision electronic instruments for military & industrial applications.

Republic Corp. virtually doubled profit (to \$1,340,294 from \$675,678) on a strong sales rise in the 39 weeks to July 30. Chmn.-Pres. Victor M. Carter reports that the film firm "now is studying acquisitions that can add sales, additional facilities and, above all, greater profits. Early in calendar 1961 we should be ready to undertake an acquisition program that will give [us] a strong stake in electronics & space-age technology."

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 13, 1960

Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	22 1/4	25 1/8	Maxson (W.L.)	8 1/2	9 1/2
Aerovox	7 1/2	8 1/2	Meredith Pub.	43	47 1/2
Allied Radio	22	23 1/8	Metropolitan Bscgt.	17 1/2	18 1/2
Astron Corp.	2	2 1/2	Milgo Electronics	16	17 1/2
Baird Atomic	25 1/2	27 1/2	MPO Videotonics	8 1/4	9 1/2
British Industries	15 1/4	16 1/2	Narda Microwave	5	5 1/2
CGS Labs	8 1/4	10 1/2	National Co.	27	28 1/2
Cetron	6 1/4	7 1/2	Nuclear of Chicago	33 1/2	36 1/2
Control Data Corp.	44 1/4	47 1/2	Official Films	2	2 1/2
Cook Elec.	15 1/2	16 1/2	Pacific Automation	5 1/2	6 1/2
Cralg Systems	15 1/2	17 1/2	Pacific Mercury	7 1/2	7 3/4
Dictaphone	36	38 3/4	Perkin-Elmer	38 1/2	41 1/2
Digitronics	23 1/2	25 1/2	Philips Lamp	166	172
Eastern Ind.	12	13 1/2	Pyramid Electric	2 1/2	3 5/16
Eitel-McCullough	22 1/2	23 1/2	Radiation Inc.	21 1/4	23 1/4
Elco Corp.	14	15 1/2	Howard W. Sams	38	41 1/2
Electro Instruments	25 1/2	28 1/2	Sanders Associates	25	27 1/2
Electro Voice	10 1/2	11 1/2	Silicon Transistor	6 1/2	7
Electronic Associates	26 1/2	29 1/2	Soroban Engineering	28 1/2	30 1/2
Erl Resistor	7 1/2	8 1/2	Soundscriber	12 1/2	13 1/2
Executive	28	31 1/2	Speer Carbon	20 1/2	22 1/2
Farrington Mfg.	27	29 1/2	Sprague Electric	48	51 1/2
Fischer & Porter	17 1/2	19 1/2	Sterling TV	1 1/2	1 3/4
FXR	41	45 1/2	Taft Bscgt.	12 1/2	13 1/2
General Devices	11 1/2	13	Taylor Instrument	37 1/2	40 1/2
G-L Electronics	8	9 1/2	Technology Inst.	9 1/4	10 1/2
Granco Products	3 1/2	4 1/2	Tele-Broadcasters	3 1/2	4 1/2
Haydu	1 1/2	1 5/16	Telechrome	10 1/2	12
Hewlett-Packard	24 1/4	26 1/4	Telecomputing	6 1/2	7 1/2
High Voltage Eng.	140	149	Telemeter	10 1/2	11 1/2
Infrared Industries	19 1/2	21 1/2	Time Inc.	61	64 1/2
International Rectifier	21 1/2	23 1/2	Tracerlab	8 1/2	10
Interstate Engineering	22	23 1/2	United Artists	6 1/2	7 1/2
Itek	52	56 1/2	United Control	20 1/2	22 1/2
Jerrold	7 1/2	8 1/2	Universal Trans.	1 1/2	1 3/4
Lab for Electronics	38 1/2	41 1/2	Vitro	11 1/2	12 1/2
Lel Inc.	5	5 1/2	Vocaline	2 1/2	3 3/16
LFE Inc.	11 1/2	—	Wells-Gardner	15 5/8	16 7/8
Magna Theater	2 1/2	3 3/16	Wometco Ent.	12	13
Magnetics Inc.	9 1/2	11			

## Technology

Private operation of space communications, with the govt. providing the launching & related services at cost, was proposed last week by Dr. T. Keith Glennan, dir. of the National Aeronautics & Space Administration. His statement, in a Portland, Ore. speech, while heartening to industry groups, is expected to provoke some criticism by those who believe that govt. should dominate space communications. "Traditionally," Glennan said, "communications services in this country have been provided by privately financed carriers competing with one another to serve the public interest under federal controls & regulations. There seems to be no reason to change that policy with the advent of communications satellites." NASA, he added, will "make vehicles, launching & tracking facilities & technical services available at cost to private companies, provided the private plans for the development & commercial utilization of communications satellites are technically promising & in general consonance with the requirements of other licensing bodies."

Cancer-causing electron may be the missing link to the identity of the medical scourge, in the opinion of Dr. Albert Szent-Gyorgyi, 1937 winner of the Nobel Prize for medicine, now director of the Institute for Muscle Research at Woods Hole, Mass. There well may be an electronic basis for many of the biochemical processes—both normal & abnormal—in living cells & tissues, he told a lecture audience, adding: "You all know that there are substances capable of producing cancer, but nobody has yet explained the way in which these simple chemical substances produce this disturbance. We have found, lately, that all the substances which produce cancer are capable of giving off one electron. So, we have reason to believe that this electron, given off by carcinogens (cancer-producing substances) is actually involved in the production of cancer."

Electronic name scrambler has been developed by RCA to prevent the forging of signatures in lost or stolen bankbooks. The RCA "Signaguard" reproduces a passbook signature as an unrecognizable mass of broken lines. When the passbook is presented at the bank, the electronic device transforms the lines into the depositor's bonafide signature, enabling the teller to compare it with the one on the withdrawal slip. RCA says the device "so effectively scrambles a signature that even a bona fide depositor, much less an aspiring forger, cannot decipher the name on a lost passbook. The imprint is produced as mixed segments of lines thousands of an inch in diameter."

New Ampex professional tape recorder, the PR-10 series, was demonstrated to newsmen last week at the Audio Engineering Society convention in N.Y. Claimed to be the first completely professional recorder priced under \$1,000, the basic PR-10 is priced at \$895 (mono) & \$995 (stereo) in portable carrying case. Among accessories are 2-channel mixer, speaker-amplifier monitor system, remote control, plug-in equalizers and miniaturized plug-in preamplifier with nuvistorized circuit. Unique accessory is an automatic tape-threading device (details on p. 20).

Fire-detecting electron tube has been developed by McGraw-Edison's Thomas A. Edison Industries div. The Chicago concern says the tube—smaller than a golf ball—will give "instantaneous alarm" in case of fire. The Edison "U-V Detector" spots the fire by sensing its ultraviolet radiation.

# WEEKLY Television Digest

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## SUMMARY-INDEX OF WEEK'S NEWS

### **Technology**

**AT&T AIMS FOR TV SATELLITE WITHIN YEAR**, asking FCC for two 100-mc bands for 2,200-mile, 2-watt, polar-orbiting U.S.-European link (p. 1).

### **FCC**

**DECKS CLEARED FOR PAY-TV HEARING**, Thomas O'Neil chief witness for RKO-Zenith, Arthur Mayer for exhibitors, Charles Tower for NAB (p. 3).

**FCC SEEKS TO EASE BORDER ALLOCATIONS**, Hyde heads for Mexico City; Commission studies U.S.-Canadian agreement (p. 2).

**FCC TELLS FAA ABOUT TOWERS** saying it must continue granting or denying, pointing out that aviation has had fair shake in satisfactory system (pp. 4 & 5).

**LEE PUSHES FOR SHIFT TO UHF** in 5-to-7 years, offers 11-point program to smooth transition, blasts crime & violence (p. 4).

### **Film & Tape**

**MCA DEFIES FILM QUIZ** in Los Angeles; refuses to testify on constitutional grounds. Inquiry now focusing on plugs (pp. 3 & 6).

### **Advertising**

**PAPERWORK BREAKTHROUGH** achieved in realm of spot TV-radio contracts by Station Reps Assn. & 4A, who have evolved simplified new forms (p. 4). Dept. (p. 14).

### **Stations**

**EQUAL-TIME COMPLAINTS WANTED** by Chmn. Yarborough (D-Tex.) of Senate's "watchdog" unit, who demands reports from all stations. NAB protests vehemently (pp. 3 & 10).

**RADIO'S 1959 BALANCE SHEET** as reported by FCC shows 4 networks & 19 o&o's lost \$4.5 vs. \$4.9 million in 1958. Profits of rest of radio went up 11.9% (p. 10).

### **Consumer Electronics**

**SQUARE 16-in. TUBE** may be next new size. Glass sampling begins in Dec., but price may be too high for industry. Price boost due for 19-in. Improved & brighter RCA color tube understood due for Dec. debut (p. 15).

**AUGUST PHONO SALES** 13% ahead of last year at retail; 8-month sales 16% ahead. Cumulative stereo sales outpace mono more than 3-to-1 vs. about 50-50 last year (p. 16).

**TRAV-LER'S PRIVATE BRANDS** account for 50% of its business today, says prospectus. Phonos loom larger in product mix (p. 17).

**SARNOFF LAUDS JAPAN** in Tokyo speech. RCA chairman praises Nippon's electronics achievements (p. 17).

**ON LABOR'S FRONT**, IUE made peace with Westinghouse but continued at odds with GE, although there are signs of fatigue in the strike effort (p. 18).

### **Finance**

**LOWER PROFIT, HIGHER SALES** reported by RCA & Westinghouse. Former's Jan.-Sept. sales exceeded billion dollars for first time, but net dropped 12% (p. 19).

### **ETV**

**NIXON & KENNEDY** both pledge aid to ETV at NAEB convention in San Francisco (p. 6).

### **Networks**

**BILLINGS ROSE 9.1% IN AUGUST** to \$50.9 million from \$46.6 million a year ago (p. 13).

**CANADIAN TV NETWORK** regulations adopted by BBG. Nov. 14 is deadline for network license applications (p. 13).

### **Other Departments**

**PROGRAMMING** (p. 12). **PERSONALS** (p. 14).

**AT&T AIMS FOR TV SATELLITE WITHIN YEAR:** AT&T is shooting for some "firsts" in satellite communications—first industry owned-&operated "bird" and first TV transmissions—in its application to FCC filed last week.

**AT&T told Commission it hopes to get satellite in orbit within a year**, working with NASA, and paying all costs with help of European communications interests. Phone company thus follows through immediately on policy statement by NASA chief Dr. T. Keith Glennan, who said private companies should handle satellite communications, same as they do earth-bound (Vol. 16:42 p24).

**A polar-orbiting unit, 2,200 miles up, is proposed**—using 6775-6875 mc to satellite & 6425-6525 mc from satellite. It will be a simultaneously-transmitting unit, no TV storage facilities, handling not only TV but telephone, data, etc. It would have 4-ft. diameter, weigh 175 lbs. First U.S. ground station would be at Bell Labs' Holmdel, N.J. plant. It will transmit up to 35 min., 3-to-4 times daily, communicating with United Kingdom & Western Europe, emitting 2 watts, with traveling-wave tube at heart of unit.

**Simultaneously with its application for experimental facilities, AT&T petitioned FCC to let 6425-6925 mc be used for regular commercial space communications**, shared with other services now using the band. By 1980, AT&T said, space relays will need 4 blocks of frequencies 500 mc wide or sixteen 125-mc bands.

No cost figures were given out for first unit but company estimates that once regular production is reached, units would run about \$1 million each to build & launch.

Project comes under long lines vp Henry T. Killingsworth, who said: "We believe that the commercial application of satellite communications is a job for private enterprise. This new project is still another indication of our readiness to take on that job and pay our own way."

**FCC SEEKS TO EASE BORDER ALLOCATIONS:** To permit short-spaced vhf drop-ins along Canadian & Mexican borders, FCC is laying groundwork for amendments to international agreements.

Comr. Rosel Hyde and top staff members James Barr & Hart Cowperthwait are scheduled to spend this week in Mexico City, and Commission is already considering U.S.-Canadian revisions which FCC staff & Canadian counterparts in Dept. of Transport consider satisfactory. Canadians actually initiated latest proposal because they've wanted to add assignments for some time.

Proposed Canadian agreement would enhance possibility of adding assignments to such cities as Rochester, Syracuse, Binghamton, Elmira, Bangor, Me. & Williamsport, Pa.—for which short-space plans have been suggested to Commission.

Canadian agreement being studied by Commission would give both countries' stations mutual protection equivalent to that provided at Grade B contours of 2 co-channel stations using 500-ft. average antenna height, 220-mile separations, full power—and assuming receiving antennas with 5-db discrimination. Protected contours would not extend beyond 57 miles for Ch. 2-6, 52-miles for Ch. 7-13. Directional antennas up to 20 db would be allowed.

Although Canadians would prefer making all allocations according to this formula, they're willing to stick to a 170-mile minimum in Zone I & 190-mile in Zone III until Commission finally decides what to do about pending short-spaced drop-in rule-making. Minimum adjacent-channel spacing would be 60 miles.

Currently, new U.S. or Canadian allocations (within 250 miles of border) are agreed upon in case-by-case negotiations. New agreement would set out series of tables and each country could make new assignments without worrying about the other—so long as they comply with mileage "floors" in tables. This would make for more speed, ease & certainty.

**MCA DEFIES FCC TV QUIZ:** Claiming he was being denied Constitutional rights, MCA vp Taft Schreiber—who is also president of MCA's Revue Studios—Friday (Oct. 21) walked out of FCC's Los Angeles TV film industry hearings after refusing to produce list of film series MCA represents as packager & sales agent.

Walkout followed bitter exchange between MCA attorney Allen Susman and FCC hearing examiner James D. Cunningham, who at one point threatened to eject counsel from the hearing room. Schreiber claimed FCC queries were beyond scope of investigation and that the list sought by Cunningham was confidential. He offered to produce it only if it were kept secret. First blowup came when Susman repeatedly attempted to testify in place of his client.

FCC attorneys now will recommend that Commission ask federal court to require Schreiber to return and produce the requested material or be held in contempt.

The excitement came as FCC's Hollywood inquiry wound up its 2nd week of hearings. This week it is scheduled to scrutinize plugola specialists in TV film trade. Eleven alleged plug merchants have been subpoenaed to appear at the Monday (Oct. 24) sessions.

Hearings last week continued to look into control & content of TV films, highlighted by testimony of talent agency officials and NAB TV Code spokesmen. Quizzing of Code officials was centered around crime & violence in TV films and the whole question of program balance.

One major purpose of hearings is to probe network participation in ownership of TV film series—including whether "a piece of the action" is the price of getting telefilm on the networks—and this wasn't overlooked in the questioning. FCC officials arrived at unofficial estimate that 68 program series have network ownership participation. Another hearing will be held in N.Y. (date not set) with network officials as star witnesses. For details of this week's hearings, see p. 6.

**'WATCHDOG' YARBOROUGH SNAPS AT INDUSTRY:** Broadcasters who have been congratulating themselves on their widely-applauded election-campaign performances were brought up short last week by one of their harshest critics.

"Confess your equal-time sins and do penance," all TV & radio stations were told in effect by Chmn. Yarborough (D-Tex.) of Senate Commerce Committee's special 3-man Sec. 315 "watchdog" unit (see p. 10).

Yarborough letters brought outraged reaction from NAB. Policy Committee Chmn. Clair R. McCollough told him in telegram that broadcasters were "at a complete loss to understand" why Yarborough thought it necessary now to demand reports (within 24 hours) from all licensees on any & all equal-time complaints—and what steps were taken to satisfy beefs. McCollough asked for NAB conference "immediately" with Yarborough, who was campaigning in Texas for Democratic Presidential ticket. "I am sure he will wish to meet with you whenever possible," Yarborough's administrative asst. Victor Russell assured McCollough, who tried to get an Oct. 24 date.

"Complimentary & laudatory comments" on behavior of TV & radio during election campaign have come from all over, McCollough pointed out. He cited "Great Debate" series as outstanding example of industry's "achievements & its demonstrated fairness." McCollough also reminded Yarborough that each station already was required by FCC to file "lengthy & detailed report" with Commission on all political operations—including handling of equal-time demands (Vol. 16:34 p9).

There was no reported rush in field to comply with Yarborough's demand for reports, which he said are needed to help his Freedom of Communications Subcommittee do its work. Stations were under no legal compulsion to comply, and NAB sources told us that few members had bothered to ask hq what to do. Officials of networks whose o&o stations received Yarborough letters were incensed by them. But licensees generally seemed to be taking letters coolly in wait-&-see reaction.

Yarborough acted alone in starting his NAB storm-raising foray. He didn't consult with other Subcommittee members—Sens. McGee (D-Wyo.) & Scott (R-Pa.)—before instructing majority counsel Creekmore Fath to send out letters. And minority counsel Walter Boehm told us mailing was under way before he knew what was up.

What's with Yarborough? Best guess: He's frustrated by fact that his Subcommittee has had little attention & equal-time business—and he's out to get both. He regards broadcasting with dark suspicion. He has repeatedly expressed conviction that stations get away with too much political—especially Republican—bias. Yarborough was last-ditch supporter of proposals that networks be compelled to give free time to Presidential candidates and he was lone holdout in Senate when Sec. 315 suspension was voted to permit voluntary "Great Debate" programming for top tickets (Vol. 16:27 p6).

Note: If any equal-time cause celebre arises from 1960 campaign, it's likely that it will be produced in Yarborough's own home state—and by Republicans. Democratic Vice Presidential candidate Lyndon Johnson also is running for Senate in Texas. Do Johnson's Sec. 315-exempt appearances as 2nd man on national ticket entitle Republican Senatorial candidate John Tower to equal time in state? Texas stations say "no;" Tower says "yes." Odds on how FCC may resolve issue are even.

**DECKS CLEARED FOR PAY-TV HEARING:** FCC wrapped up the last ragtags of pre-hearing technicalities and got set for week-long session on Hartford Phonevision Co. (RKO & Zenith) plans for pay-TV tests in Hartford.

First, it cleaned up theater owners' request for "clarification or modification" of issues, in which they sought to make sure they could dig as deeply into programming plans as they chose (Vol. 16:42 p3). Though Commission "denied" the petition, it did so, it said, because "the present issues encompass the information required as to programming." Actually, Commission will play it by ear, asking the applicant to give as much data as it thinks reasonable to expect—recognizing that RKO-Zenith frequently couldn't get firm programming-source commitments without FCC go-ahead on the experiment.

Commission also turned down Zenith & Teco requests to participate as parties—satisfied that they're sufficiently represented through Hartford Phonevision.

Applicant's chief witness will be RKO General Pres.-Chmn. Thomas F. O'Neil—though it may also present Zenith Pres. Joseph Wright and Teco Pres. Pieter Van Beek. Exhibitors will offer only one witness initially, movie industry "senior statesman" 74-year-old Arthur L. Mayer who has had prominent role in

virtually every phase of film industry. But they have other witnesses up their sleeve, available if needed. Dallas Smythe, U. of Ill. prof. and former FCC chief economist, is top data compiler for theaternmen. For NAB, TV vp Charles Tower will appear.

Commission set out agenda of hearing as follows: FCC counsel Louis Stephens with opening statement, applicant, NAB, exhibitors, applicant's rebuttal, summations (up to 30 minutes each) by applicant, exhibitors, FCC Broadcast Bureau. Stephens will be flanked by attorney Sol Schildhause, economist Hy Goldin & engineer John Taff. It's assumed Stephens will put Golden & Taff on stand if he believes they're needed to "clarify the record." Hearing starts 10 a.m. Monday (Oct. 24) in ICC Hearing Room B.

Bets are being taken on length of hearing. It's Commission's firm intention & hope to wind it up in a week. Chmn. Ford will preside, and with his experience as onetime head of Commission's hearing div. he's expected to keep parties' feet to fire. Whole affair could be finished in as little as 3 days—or it could run for weeks. In 1948, FCC counsel predicted that the allocations "freeze" hearing would run a few weeks. Color controversy entered and the proceeding ran about 3½ years. Reminded of this, Stephens was aghast, said he didn't see how this could happen in pay-TV affair.

**FCC TELLS FAA ABOUT TOWERS:** FCC isn't about to turn over to FAA its traditional tower-approval authority—even though FAA believes it is required to assume jurisdiction.

FCC last week filed comments on FAA's proposed rule-making in which latter set out plans for taking over (Vol. 16:38 p5). Commission made it clear it believes that law requires it to continue granting or denying towers. Furthermore, Commission noted, system has "worked quite satisfactorily over the past several years," with aviation interests getting full & fair shake in Commission proceedings. In effect, it asks: "Why change?" (For pertinent excerpts from Commission's comments, see p. 5).

Deadline for filing in FAA's proceeding is Oct. 31, and broadcasters are expected to offer vigorous comments backing up FCC. If FAA chooses to buck Commission, resolution of conflict will be up to Congress or courts, or both.

**SPOT-SALES PAPERWORK BREAKTHROUGH:** Blizzard of spot TV-radio purchase forms that has snowed-under many an agency's media billings dept. for years, will soon be curbed, to large extent, by standardized contract forms developed by Station Reps Assn. and 4A.

New forms eliminate time-consuming process whereby station reps issue separate confirmation-of-broadcast order form to agency & station. And same form also eliminates need for agencies to type up and issue a contract. By signing and exchanging copies, stations & agencies will have a firm spot deal. By SRA's estimate, the new forms will "save thousands of hours of clerical work for all concerned."

Starting date for new forms is Nov. 1, at which time a number of SRA member firms (so far, about 7) will change over. They're not a new idea; SRA and 4A have been working on project since 1948.

## The FCC

**LEE PUSHES SHIFT TO UHF:** With his most explicit proposals to date, FCC Comr. Robert E. Lee last week pressed hard in his long campaign to move TV to uhf. "Put the Show on the Road" was the title of his address before the NAEB convention in San Francisco.

FCC should put everyone on notice that the shift will come in 5-to-7 years, he said, because only uhf promises the room for expansion that TV needs. He said that the "present economy would easily support 750 commercial stations and ultimately many more instead of the 560-odd now on the air." At the same time, he added, the mobile service could expand into the vhf spectrum vacated by TV. Hoping that his suggestions wouldn't become known as the "Lee plan," he offered the following:

"(1) We should immediately put to rest any notion that the solution lies in squeezing in sub-standard vhf assignments which in themselves create substandard service and have a concurrent depressive effect upon uhf set manufacture and uhf station growth.

"(2) We should and, I might add, we will press for legislation that TV sets transported in interstate commerce be capable of receiving all channels in the TV broadcast band.

"(3) We should forthrightly move forward to de-intermix markets where uhf development is ripe so that the number of all-channel sets in use will increase and thereby create incentive for the manufacturer to make the all-channel set while he is about it. This should be the interim plan.

"(4) We should impose a permanent freeze now on new and improved vhf stations.

"(5) We should allocate available and newly released vhf frequency space to non-broadcast mobile service, both to common carriers and to private users. In this connection, as soon as the necessary rules were promulgated, I would permit these services to share the vhf channels on a secondary or non-interference basis.

"(6) We should dissolve the table of TV assignments, retaining only the educational reservations and, of course, existing engineering standards.

"(7) We should license new uhf stations to the lowest

channels available in their particular areas, using a system whereby we would assign channels to the licenses we issue in the order in which we make grants and thereby eliminate the time and expense of comparative hearings, as well as providing the incentive to apply.

"(8) We should permit vhf stations to operate both in vhf and uhf, contrary to our current rules until such time as it appears appropriate to discontinue the vhf service.

"(9) Dependent upon the availability of program choices in given areas, we should permit these stations to duplicate their vhf service with appropriate announcements that as of a certain date only the uhf would be available. This would eliminate the impact on the public, since a TV set is normally replaced in a maximum of 5 years.

"(10) We should examine the reasons why networks refuse affiliation to small station markets beyond the normal service area of another affiliate. It may be that refined rules or even, perhaps, legislation is necessary.

"(11) In the event the above course of action was adopted by the Commission, I would put a short temporary freeze on new uhf operations to permit existing operations to apply for the best uhf channel available."

Lee also added his voice to the swelling volume of protest against excessive violence & crime on TV. "I was interested in reading," he said, "a speech delivered recently by an executive in commercial TV circles. I sensed that the author was understandably proud of the merits of his own work else he would not have mailed me a copy. The topic under discussion was crime & violence on TV. He first attempted to prove statistically that crime & violence on TV were a requirement on broadcasters in order to please all tastes. He claimed that no one to date has affirmatively demonstrated that liberal doses of crime on TV are bad for children and assured his audience that TV critics' charges of 'moral squalor' in the industry are completely without foundation. My reaction was immediate. It occurs to me that if anyone were to speak on the subject, 'Are Excessive Doses of Crime & Violence on TV Good for Children?', he might have a more difficult task."

(For more news of NAEB convention, see p. 6.)

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Amendments to Communications Act are getting early consideration from FCC as it prepares for the start of the new Congressional session in January. The Commission is thinking about a score or so changes, and the first 2 on tap aim at speeding processes. One would change Sec. 5(c) of the Communications to give the Office of Opinions & Review more leeway in helping the Commissioners dispose of minor "interlocutory" matters and in preparing analyses of all adjudicatory cases. The new proposal still would prohibit the staff from recommending final decisions or drafting decisions without specific Commission instruction. The other—changing Sections 219(a), 308(b) & 319(a)—would eliminate need for filing of applications under "oath or affirmation." The Commission believes that the law already has plenty of safeguards against false filings and that elimination of the requirement would remove a lot of time-wasting prodding of applicants who fail to comply.

Vhf repeater operators now have until the end of the year to file with FCC their requests for temporary authorization to continue. The Commission extended the Oct. 31 deadline because many operators have been delayed in receiving rebroadcast permission from the stations whose signals they rebroadcast. The Commission reported that more than 400 applications have been filed. There are an estimated 1,000-to-2,000 repeaters operating.

### **More about**

**FCC, FAA & TOWERS:** Here are the salient excerpts from FCC's comments on FAA's proposal to assume the Commission's role of deciding whether TV-radio towers are air hazards (see p. 4):

"The FCC must in the final analysis determine whether an authorization to build & operate a radio station shall be issued. The views of the FAA must perforce be considered in this decision, but the Commission cannot, under the existing statute, avoid making the decision nor delegate its responsibility. Nor can the statutory procedures for a full & complete hearing be abrogated. The Commission most certainly does not minimize the extreme importance of air navigation or the need for the utmost precaution to assure the safety of aircraft in flight. However, the Commission must also take into account the public need for the communications facility proposed, and in those cases where the Commission is unable to find upon an examination of the application that the public interest, convenience or necessity would be served by a grant thereof, that the applicant be afforded a 'full hearing' upon the specific issues (see Communications Act, Section 309). Such a hearing provides a formal forum for a comprehensive examination of the issues and an impartial evaluation of all of the considerations affecting both the communications proposal and the needs & interests of air navigation as pertinent thereto. This approach has not proved to be cumbersome or unworkable in the past, as witnessed by the fact that, over the many years it has been in existence, less than 10 cases have culminated in a formal hearing to resolve the problems.

"With respect to the specifics of the FAA's Notice of Proposed Adoption of Regulations the Commission, of course, recognizes the FAA's responsibilities with respect to aeronautical hazards and its specific concern regarding man-made structures, including the towers of radio stations licensed by the Commission. The notice contemplates criteria for 'obstructions to air navigation', 'hazards to air navigation' and procedures for both informal & formal aeronautical studies to determine in any given situation whether an exemption to the 'hazard criteria' should be granted. The proposal provides further that the determination of the administrator in this matter is 'final' and will be published in the Federal Register. Such a 'final determination' by the administrator would place an applicant for a radio station in a situation where one agency of the government, the Commission, has authorized the construction of a tower while another agency, the FAA, has finally determined the structure to be a hazard to air navigation, thus at least implying that he is prohibited from constructing the tower. Since both the FAA & the FCC are agencies of the United States govt., with large responsibilities in the public interest, any action by either agency which might indicate anything other than harmonized policy on the part of the govt. appears to be detrimental to the programs of both agencies."

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Allocations petitions: by Newark Public Schools, Newark, O. to reassign Ch. 28 from Lancaster, O. to Newark for educational use; by WMTV Madison, Wis. to replace Ch. 33 Madison with Ch. 15 and allow WMTV to switch to Ch. 15.

New list of AM & FM transmitters & monitors approved by FCC, as of Aug. 24, may be inspected at the Commission's Washington & field offices.

**FCC SEEKS BIGGER BUDGET:** As federal bureaucracy goes, FCC never has been a big-spending agency, but if it gets its way with the Budget Bureau & Congress, next year it will be in a \$14-million budget class—upped by a substantial \$2 million.

Commission estimates filed with the Budget Bureau for its needs for fiscal 1962 starting next July 1 are understood to ask for increases which would raise the current appropriation of \$11.8 million to \$13.9 million. This boost would come on top of extra grants this year of \$2 million for the 2-year N.Y. uhf project and \$150,000 (pared from \$300,000) for a new Complaints & Compliance Div. (Vol. 16:28 p2)—neither of which was okayed by Congress without argument.

No new money is asked now by FCC for the uhf program. But it's reported that the biggest single increase in the proposed budget is an additional \$500,000 sought for broadcast activities including added Complaints-&-Compliance payroll funds. For one thing, FCC wants 28 staffers assigned to this policing work instead of 20 now permitted.

All in all, FCC's employment total could go up nearly 200 (from about 1,300 to about 1,500) if the \$13.9-million budget figure gets past the Budget Bureau & Congress.

In addition to the proposed boost for beefed-up broadcast activities, budget increases sought by FCC are understood to include these for more work & manpower: \$300,000, common carrier operations; \$25,000, safety & special radio services; \$125,000, field engineering & monitoring; \$200,000, TV systems engineering study to be conducted under contract.

Elaborating on the TV systems study, the Commission noted that the Bureau of Standards and MIT are now doing some work, but said that more is needed. Basically, it wants to find better technical standards—examining pulse transmission, digital systems, redundancy, noise reduction, coding, uhf receivers, multipath problems. The work would be contracted out to research institutions & organizations.

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**Agency Conference Set:** President Eisenhower's Conference on Administrative Procedure, announced at the White House in Sept. as a device to speed up procedures of FCC & other regulatory agencies (Vol. 16:36 p5), will organize for business this week.

Appeals Court Judge E. Barrett Prettyman, named by the President to direct the Conference, appointed a 15-man organizing committee and called it to its first meeting Oct. 24. Members include FTC Chmn. Earl W. Kintner & FCC gen. counsel John L. Fitzgerald. Washington communications lawyer William C. Koplovitz, past president of the Federal Communications Bar Assn., is secretary.

Prettyman said the White House conference would wage a continuing "assault upon red tape, cumbersome methods, unreasonable delay and unnecessary expense."

Meanwhile, Judge Wilbur K. Miller, 68, replaced the 69-year-old Prettyman as Chief Judge of the Appeals Court for the D. C. Circuit, which has jurisdiction in FCC cases. Prettyman stayed on the bench but stepped down Oct. 21 from the top judicial administrative spot in accordance with a decision he announced when he took the assignment in 1958. "Two years is enough," he said then.

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Assignment of Ch. 19 to Bay City, Mich. has been proposed by FCC, at the request of Delta College and WSWM(FM) East Lansing, which plan to file for it jointly.

WWTV Cadillac, Mich. has been granted permission to identify itself also with Traverse City—Bartley dissenting.

## Educational Television

**Nixon, Kennedy & ETV:** Both major Presidential candidates pledged federal encouragement to ETV in messages to last week's convention of the National Assn. of Educational Bcstrs. at San Francisco's Jack Tar Hotel—but in both cases the promises seemed carefully worded to avoid the interpretation that either specifically favored or opposed monetary assistance.

Sen. John F. Kennedy stated that the federal govt. should help expedite the use of TV as a tested educational aid, adding: "I pledge . . . that I will back actively suitable legislation aimed at this objective . . ." Vice President Nixon agreed that radio & TV are "proved instructional tools" and stated: "I pledge my cooperation in the development of a national educational TV policy to help realize the goal of the fullest possible educational opportunity for every American . . . Within its assigned role, federal assistance in the stimulation of the use of TV as an aid to education will have my sympathy & support."

More than 400 delegates attended panel sessions & meetings and elected former Chmn. William G. Harley president of NAEB succeeding Harry J. Skornia. (See p. 4 for details of Comr. Lee's talk to the convention.)

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"Arranging the Classroom for TV Viewing" has been published by Sylvania's lighting products div. as a guide to optimum room lighting & set location. The brochure was written by illumination engineer Willard Allphin, is available from the div.'s commercial engineering dept., 60 Boston St., Salem, Mass.

## Film & Tape

### More about

**MCA WALKS OUT ON FCC TV QUIZ:** When MCA vp Taft Schreiber refused to testify at FCC's TV film investigation last week, the heretofore orderly Los Angeles hearing was thrown into turmoil.

Attorney Allen Susman's repeated attempts to speak for MCA were rejected by examiner James D. Cunningham, who finally threatened to oust him from courtroom. Schreiber then charged the facts the FCC sought were "outside the operation of the hearing," and insisted this was so even after FCC attorney Ashbrook Bryant reminded him the William Morris Agency had freely provided a similar list.

When a semblance of peace settled on the stormy session, Schreiber said: "I came here on the supposition I would testify on matters which would not involve giving confidential information" which would help MCA competitors. He termed the FCC request for a list of its packages "unjustified" and "outside" the course of the hearing. Earlier, Schreiber had made a point of the fact he was appearing under subpoena.

No lawyer can function when he is not allowed to speak for his client, and such ground rules "deprive me of my Constitutional rights, and therefore I decline to proceed as a witness," said Schreiber, stalking from the stand, although Cunningham had told him to testify.

Bryant told Cunningham questions he was asking and evidence sought were within the powers given the FCC. Congress demands regulatory agencies gather information for guidance not only for the Commission but for possible legislation, he contended. Regarding Schreiber's complaint

he was being denied his Constitutional rights, Bryant said the FCC hearing follows precisely the same procedure as other regulatory agencies and Congressional committees—procedures which have been upheld by the courts. He said witnesses are granted the right of counsel.

The FCC consulted with every witness and his counsel beforehand and had made a point of telling them it would not ask questions which would result in disclosure of competitive information, he said. The Morris Agency testified fully on its position as a packager and provided the list of its packages. "I see no reason why Schreiber should have any different treatment than any other witness," he contended.

Cunningham replied he agreed the information sought was relevant.

Meanwhile, FCC investigators, conducting an inquiry into all aspects of the TV film industry in Hollywood, have intensified their scrutiny of the practice of sneaking plugs into TV film.

Ordered to appear to testify on this subject this week (Mon. Oct. 24) were Jimmy Cross, Vici Raaf, Mary Rothchild and Donna Rapp, all of Promotions Unlimited; Betty Langley, Dick Fishell, Carol Prince and Stan Lawrence, all of Dick Fishell Associates; Walter and Fred Kline of Kline & Associates.

Virtually all producers & executives who testified during the hearings admitted they were "aware" of such practices, all condemned it, and a number said they would fire any employee found helping anyone sneak a plug for any commercial product into their film.

#### Backstage at William Morris

A closeup of how a giant talent agency functions was given at the FCC hearings last week, when Commission attorney Ashbrook Bryant questioned Sam Weisbord, who is in charge of TV for the William Morris Agency in Hollywood. The steady rise of the agency's TV fortunes was seen in Weisbord's figures showing that the agency sold 17 film series for the 1958-59 season, 23 in 1959-60, and 26 for the current season.

The Morris Agency receives 10% commission on the selling price of all series it sells, testified Weisbord. The shows—and components represented: *The Law and Mr. Jones*, (ABC-TV), producer-writer and star; *The Legend of Wyatt Earp*, (ABC-TV), 2 producers and star; *Robert Taylor's The Detectives*, (ABC-TV), star, producers; *The Corrupters*, (ABC-TV), producer, director, stars; *Dante*, (NBC-TV), star, producer; *The Rifleman*, (ABC-TV), producers; *The DuPont Show with June Allyson*, (CBS-TV), star; *The Tom Ewell Show*, (CBS-TV), star, directors; *Stagecoach West*, (ABC-TV), producer; *Peter Loves Mary*, (NBC-TV), stars; *Dick Powell's Zane Grey Theater*, (CBS-TV), producer, host; *Hennesey*, (CBS-TV), star; *Adventures in Paradise*, (ABC-TV), creator; *Wanted—Dead or Alive*, (CBS-TV), star; *The Real McCoys*, (ABC-TV), star; *The Ann Sothern Show*, (CBS-TV), star; *The Andy Griffith Show*, (CBS-TV), star, head writer; *The Danny Thomas Show*, (CBS-TV), star, producer-director; *Guestward Ho!*, (ABC-TV), property from which series was derived; *Michael Shayne*, (NBC-TV), property from which series was derived; *The Loretta Young Show*, (NBC-TV), star; *Hong Kong*, (ABC-TV), creator-writer; *The Groucho Marx Show*, (NBC-TV), star; *The Westerner*, (NBC-TV), producer, head writer; *R.C.M.P.*, sales agent for show only; *The Barbara Stanwyck Theater*, (NBC-TV), star, producer.

Weisbord vigorously denied agent Frank Cooper's contention that he (Cooper) had lost client & package (producer

Irving Pincus & *The Real McCoys*) because when Walter Brennan, a Morris client, was wanted as star, WM refused unless that agency were to be the sales agent. Weisbord testified that the series had originally been represented by the Rosenberg-Coryell agency, which had sought to make a deal with NBC-TV. Pincus wanted Brennan at that time, but the negotiations with NBC-TV collapsed when Brennan demanded ownership participation. Pincus' contract with RC expired, and the producer then signed with Cooper. However, this deal excluded *The Real McCoys* series, Weisbord testified. Consequently Pincus approached the Morris Agency regarding Brennan, and a deal was negotiated for the package, with Danny Thomas to finance and Sheldon Leonard to serve as producer-director of the pilot. "We made it clear & unmistakable to Pincus that we expected to be the sales agent," said Weisbord. Subsequently the Morris Agency sold the series to ABC-TV. "We don't try to woo clients away from the so-called smaller agencies. A number of these agencies have made considerable virtue of their being small," the agent remarked caustically.

Asked why the agency collects a 10% commission on a series when a network finances a pilot, Weisbord and Morris Stoller, who is in charge of business affairs for WM on the West Coast, testified that the agency does much to make such a deal possible. Aside from the negotiations involved, it assumes co-responsibility with the network in finding a sponsor. Taking the Loretta Young series as an illustration, they explained that they had negotiated the deal with NBC-TV, getting "top money" for her; arranged for her studio & business arrangements (Miss Young has her own production company on the series); negotiated the sale of her reruns & a new contract with NBC-TV; and when she was ill one season, the agency had virtually produced the show. Networks frequently have a financial participation in series, Weisbord said.

Stoller, on the subject of foreign rights, called them valuable & likely to become more so as the number of sets increases globally. But the outlook for additional global revenue is mitigated by a number of factors—the increasing number of films available, competition, restrictions and controls in a number of countries. As a result many series have not had any foreign sales, Stoller asserted.

#### A History of Packaging

Weisbord said that about 50 of the agency's 200 West Coast employees are in TV, and about 30 are in TV in its N.Y. office. He spoke of the ramifications & complexities of the competitive agency business, pointing out that while the agency is functioning basically in representation & management of individuals, it also "stimulates" clients to create packages which it then tries to sell.

Packaging began 30 years ago, in the days of vaudeville, continued into radio and then into TV, he explained. The Morris Agency became involved in TV packaging about a decade ago because there was a void in this field, the major movie studios not having entered it. "We felt it was a wonderful business for our clients, because they received creative control and ownership participation, so we encouraged them to get into TV," he said.

The agency receives its 10% commission off-the-top (gross selling price) on packages, but does not own or invest in any series or packages, Weisbord continued. The package takes various forms. It can stem from an idea or script, be the joint venture of a group of creators, be star-owned, or be a finished film brought to the agency for representation.

Stoller explained how once a package is put together, the agency brings the attorneys of the various clients to-

gether so that a joint venture corporation can be formed "to get the best results" for the client. The Morris Agency, it was evident as testimony continued, serves as far more than an agency representing talent. It advises its clients regarding the creative aspects of a package, studio costs & operations, budgets & accounting, cast insurance, financing—even negotiates leases (such as Four Star Television's lease with Republic).

Earlier in the week, attention was focused on the question of whether NAB's TV Code is doing enough to curb excessive violence and crime on TV. While Code director Edward Bronson and his assistant, Frank Morris, in charge of the Code's West Coast office, stoutly asserted correct steps were being taken in this direction, their views were sharply questioned by chief examiner Cunningham.

When Morris testified he had checked about 350 films, Cunningham asked him whether he was satisfied that, generally, programs are meeting Code standards, and whether he felt they are having an adverse effect on certain segments of the audience, particularly teen-agers.

Morris replied: "There is a greater awareness of the problem by producers today." But Cunningham, dissatisfied, pressed for an answer. Said Morris: "I am not qualified to answer that." Cunningham retorted: "You have reviewed 350 films. You must have some views." Said Morris: "It is less than perfect, but I will back up the product with which I deal."

Morris said most script objections stemmed from excessive violence, suggestiveness and profanity, but that the situation has improved and there is a lessening of the most frequent objections. Cunningham then asked what the FCC or Congress could do to clean up excesses in programming, and Morris replied: "We are attempting to do that by voluntary self-regulation. We have quite a distance to go." Morris estimated 75-80% of the shows he had reviewed involved physical violence. When Cunningham opined that violence was on the increase, Morris said comedies are replacing crime shows, there are also public service & educational shows, and fewer Westerns.

Code dir. Bronson, quizzed by Cunningham, said NAB had no policy on programming balance. Bronson's testimony, like Morris's, didn't satisfy the examiner, and NAB counsel Douglas Anello objected, on the grounds neither of the Code officials could answer policy questions. Cunningham ordered the objections struck from the record.

#### Tower Takes the Stand

An unscheduled witness, NAB TV vp Charles H. Tower, took the stand to say that program balance is primarily the responsibility of the licensee. While crime & violence were of considerable concern to everyone in TV, he added, program balance generally seems to be satisfactory. He disagreed with viewers who find 2 or 3 crime shows a week too much. Crime programs exist because the people demand them, and the current amount does not unbalance the schedule, he asserted. He said NAB did not agree with those who "assume" bad effects stem from such programs, particularly regarding juveniles. Parental control is the answer, he opined. However, NAB is genuinely concerned about the problem, he added. "If broadcasters thought that shows contributed to juvenile delinquency, they would be the first to get them off the air."

When Cunningham asked what the FCC could do about the situation, Tower answered industry self-regulation is the best control. Asked if NAB has any plans for correcting abuses, Tower said: "We believe we are moving in the right direction." He said NAB plans expansion of its Hollywood Code office, has recently opened an office in N.Y.

Earlier, Morris had testified that while nearly 50% of scripts submitted to him violated some code elements, they were all changed to conform completely with Code regulations. He praised the cooperation of the Alliance of TV Film Producers.

Later in the hearing, when Alliance Pres. Richard Jencks was asked about violence in films, he said he did not think the 300-plus films viewed by Morris constituted a representative sample, pointing out they were less than one-fifth of Alliance-produced shows. Morris, he said, deals mainly with syndicated shows and his sampling was of films most likely to be problem pictures.

Jencks testified Alliance members produce 60-to-70% of Hollywood TV films. He said the Code machinery had never been invoked because of an impasse between NAB and producers during his tenure with the Alliance. He said the Alliance as a trade association does not undertake to edit, censor or control the content of film made by its members. Jencks said it was the producers' responsibility to see that a diverse quantity of programming was available, that last spring more than 200 new series projects were made available by Hollywood producers. They embraced every type of program, but the choice was made by the buyer, he pointed out. Producers have done the best they can, but they are not in a position to tell the buyer what to buy, he added.

#### Wolper on Public-Service Specials

Independent producer David Wolper told the hearing of his inability to sell a public service special, "The Race for Space," to the networks because—he was told—it was against network policy to buy such shows from outside packagers or producers (Vol. 16:13 p7). Wolper testified he spent \$110,000 on the show for which he found a sponsor, Shulton, but the networks refused it on policy grounds.

Eventually the show was sold to 105 individual stations throughout the country, Shulton sponsoring. Of those stations, 40 were CBS-TV affiliates; 34, NBC-TV; 25, ABC-TV, and 6 independents, he said. The affiliates pre-empted network time to show the special, first TV show ever to be nominated for a movie academy award. Wolper said the networks' policy discourages independent producers who "may have something to contribute from making these programs. We need a multiplicity of ideas—not just those coming from the networks. You can't blame the producers for being forced into trivial potboilers when they aren't allowed to do things with substance," he said.

CBS-TV Richard Salant, a daily visitor at the hearings, confirmed network policy regarding outside packages of public service shows, but said it is an old one with which every producer should be familiar. He also confirmed Wolper's statement that the networks did this to discourage pressure groups from propagandizing. He produced a letter from CBS Pres. Frank Stanton to Chmn. John Pastore (D-R.I.) of the Senate Commerce Communications Subcommittee. Dated March 14, it stated the show was rejected because of CBS-TV policy, and also because its narrator, Mike Wallace, was associated with a non-CBS station in N.Y. and had appeared in commercials for Parliament cigarettes which were then appearing on the network. In a field as complicated and controversial as space, said Stanton, the network felt it could be confident of fairness and objectivity only if its own experts had researched the field. Wallace, strongly identified with cigarette commercials, is scarcely the newsman to be measuring our missile gap, he said. Aside from policy reasons, the special would probably have been rejected because it was "not of the highest quality," and CBS News

had dealt with and is dealing with the same issue in a number of specials, said Stanton.

Philip Feldman, exec. vp of Broadcast Management Inc., and formerly dir. of business affairs for CBS-TV in Hollywood, testified that talent agencies sometimes receive as much as 10% of the selling price of a package even though they may have brought the network only one component in the package, such as a star personality. Asked about network financial participation in series, he said when CBS-TV financed a pilot, it would normally receive a participation of profits in return.

Alfred Scalpone, pres. of La Mesa Productions and ex-CBS-TV West Coast program vp, said ad agency men who serve as liaison with film series generally are not of producer caliber. Asked if CBS-TV as a general rule had financial participation in a network show, Scalpone replied, "We would have in a program which we developed." CBS-TV had creative control of its own shows when he was with the network, but sponsors & agencies had control in the fields of taste & policy, he said. Taste & policy, he conceded, can be a "gray area" depending on the "agency representative's intelligence."

Directors Guild of America Pres. Frank Capra testified he complained bitterly to Pres. Eric Johnston, of the Motion Picture Producers Assn., regarding the sale or lease of post-1948 movies to TV. He had asked Johnston to make certain such films were not so badly chopped and edited they would be "tortured" versions of the original. Movies on TV are cut so indiscriminately that "plots & characters are thrown out the window," said Capra. He amused the courtroom audience by saying Johnston's reply "had the impact of a falling autumn leaf." Johnston, it developed, told Capra he would be glad to "share" his letter with member companies.

Capra estimated the William Morris Agency represents most directors, 82. MCA represents 59, Frank Cooper Associates 20, Goldstone-Tobias 26, Jaffe 20, and Ashley-Steiner 18, he said. DGA does not give agent-producers a franchise or waiver as does Screen Actors Guild, but such agents are not allowed to collect commission when directors work in their films, he said.

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Roy Huggins, telefilm producer-writer instrumental in developing such Warner Bros. properties as *77 Sunset Strip* and *Maverick*, has been named production vp at 20th Century-Fox TV. The appointment was confirmed in N.Y. Oct. 21 by TCF-TV Pres. Peter Levathes, who told us that Huggins will supervise production of TCF's *Adventures in Paradise* and *Hong Kong* series, as well as development of "several new TV series on which we're now discussing network commitments." Huggins will make his hq at TCF's Hollywood lot. Levathes also confirmed that TCF and NBC have been holding discussions concerning the use of a few choice post-1948 features as network specials, but that "nothing has really developed so far from the meetings."

Eugene Rodney & Robert Young, the production partners responsible for *Father Knows Best*, are preparing a new 30-min. comedy series under contract with CBS-TV for the 1961-62 season, the network stated late last week. The pilot for the new series will be written by Roswell Rogers, chief *Father* writer. Currently that show is in a 2-year rerun cycle on CBS-TV, after which the package will move to ABC-TV for a daytime strip network rerun.

Twentieth Century-Fox TV will produce 3 pilots in the next month: *Margie*, *Silent Investigators* and *San Francisco*.

## NEW YORK ROUNDUP

Guild Films has filed a petition in N.Y. Federal Court for reorganization under Chapt. XI of the Bankruptcy Law, halting—at least temporarily—some 60 pending legal actions against the firm by creditors. Guild Pres. John Cole reported assets of \$3.5 million (primarily in distribution rights and unsold TV station time involving a number of telefilm packages) and liabilities of \$9.8 million. A move to merge Guild Films with Vic Tanny's health-club chain, in the works for some time (Vol. 15:29 p18; 48 p13), recently failed to materialize.

AFTRA pay-TV negotiations were under way in N.Y. last week. The talent union admitted that an exclusive contract with an unnamed pay-TV operation is about to be signed, giving AFTRA "a firm stand in the field." Meanwhile, networks continued to mull over AFTRA's long list of new TV-radio contract demands (Vol. 16:42 p11). Final outcome is likely to be posted this week.

People: Earl Rettig has resigned as Cal. National Productions pres. as of Dec. 31; vp Carl Lindemann Jr. is seen as a likely successor . . . Ken Campbell has been appointed Intercontinental TV dir. of European operations . . . Norman Katz will resign as UAA foreign operations dir. in March 1961 . . . Seven Arts Associated has expanded its sales force, naming George Mitchell Southwest div. mgr.; Lloyd Krause, Eastern div. mgr.; Robert Hoffman, Midwest div. mgr.; Norman C. Long, dir. Los Angeles sales branch; Lester S. Tobias, dir. special feature sales . . . Richard P. Brandt, Trans-Lux pres., left last week on an extended West Coast trip to line up business for new T-L syndicated properties . . . Edward K. Cooper and Stanley Moldow have been named CBS Films domestic sales service mgr. and international sales service mgr. respectively.

## HOLLYWOOD ROUNDUP

IATSE is seeking 25% raise across the board and royalty payments totaling double the amount obtained by Hollywood talent guilds last spring, in initial proposals being made to TV & movie producers. In addition to the wage hike, the union seeks improved working conditions from the Alliance of TV Film Producers. Its principal demand of the Assn. of Motion Picture Producers is a lump-sum pension fund in lieu of payment for post-1948 movies sold to TV. Demands also include a proposal to eliminate "runaway" production—movies produced abroad.

AFM begins contract negotiations with the major movie studios in Los Angeles Oct. 26, the musicians having won an NLRB election over Musicians Guild of America.

More than 94% of membership of Screen Extras Guild approved a new contract with the Alliance of TV Film Producers and the Assn. of Motion Picture Producers. A total of 1,705 voted for, 104 against.

People: Phil Rapf named exec. producer of *The Tab Hunter Show* . . . Irving Asher, 20th Century-Fox TV vp, leaves the company Nov. 1, after being unable to reach agreement on a new contract with Pres. Peter Levathes . . . Producer-writer Cy Howard has signed a new 5-year contract with Desilu . . . Producer William Hawks will produce a 60-min. circus series for 20th Century-Fox TV.

## Stations

### More about

**EQUAL-TIME COMPLAINTS WANTED:** Every TV & radio station in the country was asked last week by Sen. Yarborough (D-Tex.) to report promptly to his Commerce Freedom of Communications Subcommittee if anybody complains about political equal-time discrimination on the air.

Expressing outrage at this added harassment of the industry in the face of broadcasting's "demonstrated fairness" during the election campaign, NAB quickly filed a formal protest with Yarborough (see p. 3).

In letters dated Oct. 14, but mailed out in batches to the stations last week, the "watchdog" unit chairman told them to forward any complaints—"by a candidate, political committee or individual"—to the Subcommittee's Washington office within 24 hours. The reports of complaints should be followed up quickly with reports on what the stations are doing about them, Yarborough said.

Pointing out that the 1960 election campaign was entering its "last 3 crucial weeks," Yarborough said the information sought from the stations was needed to help his Subcommittee "insure freedom, fairness and impartiality in the treatment of news by TV & radio" under the Communications Act's Sec. 315. He reminded the broadcasters that the law covers treatment of political opinion as well as news & advertising.

Yarborough didn't say so in his letters to the stations, but the Subcommittee and its 2-man investigative staff have had little to do following his failure Sept. 1 to win a special \$150,000 Senate appropriation for equal-time monitoring (Vol. 16:37 p11). Since then the Subcommittee has been waiting for candidates and viewers & listeners to send in Sec. 315 beefs for the staff to investigate—and they have been few & far between.

"The flow of complaints has been very meager," the Subcommittee's minority (Republican) counsel Walter Boehm told us. "We just haven't had the influx that we expected." He said that the few complaints received so far have all come from candidates who thought they deserved better breaks on the air; none have come from the public.

The "watchdog" unit, which has no Sec. 315 policing authority, maintains close liaison with the FCC, which does. But the Commission has been little help in building up the Subcommittee's file of cases.

Copies of all communications to the FCC on equal-time issues are sent along to the Subcommittee on an FYI basis. Some of them have been anonymous. Others, alleging political unfairness, don't even specify which TV or radio station has caused offense or suspicion. "Most of them are quite indefinite & vague," we were told at the FCC. They have demanded Commission answers to such questions as "Why do you let stations do this?"—without saying just what the stations have done.

Yarborough's station-by-station dragnet may produce sharper charges of Sec. 315 abuses by TV & radio in the campaign's final period. But as of last week's end, it looked like the Subcommittee wouldn't have much to say when it submits its report & Sec. 315 recommendations after the next Congress convenes.

Note: In Seattle last week, Senate Commerce Committee Chmn. Magnuson (D-Wash.) said the temporary Sec. 315 suspension for Presidential candidates had worked out so well that he will press for permanent revision next year: "I'm going to offer a bill to make it permanent."

**RADIO'S 1959 BALANCE SHEET:** The 4 national radio networks & their 19 o&o stations lost a little less in 1959 than they did in 1958 while the 3,509 other AM & FM outlets were making a little more.

FCC's final report on last year's AM-FM financial data, released Oct. 17 as Public Notice 95209, showed that in the aggregate the networks & o&o's dropped \$4.5 million in 1959 vs. a loss of \$4.9 million in 1958 (Vol. 15:39 p8).

For the rest of the radio industry, however, the in-the-black figure was \$46.9 million. Profits (before taxes) of the non-network-owned stations were up 11.9% in 1959 from 1958, when they were down 25.1% from \$54.6 million reported for 1957.

As for radio revenues last year, FCC reported that over-all they rose 7.1% to \$560 million. Network revenues were down 6.4% from \$64.5 million in 1958. But other AM-FM revenues totaled \$499.6 million—an increase of 9.3% over 1958.

Combining the 1959 financial returns for radio with those for TV, computed in Aug. (Vol. 16:36 p1), FCC figured last year's all-broadcasting profits at \$264.7 million—a jump of 26.5% above 1958. All-industry revenues totaled \$1.7 billion for an 11% increase over 1958.

The 16-table radio report by FCC included such detailed breakdowns as these:

(1) All told, the 1959 sale of network radio time declined 23.4% to \$35.6 million from the preceding year. But station sales for national spot went up 9.4% to \$188.1 million, while local advertisers bought \$359.1 million worth of station time—up 11.1% from 1958.

(2) Of 3,380 AM stations reporting, 34.7% lost money in 1959 vs. an almost imperceptibly fewer 34.6% in 1958.

(3) Among 3,248 full-year operating AMs 2,174 reported they were profitable in 1959. The median profit for the 2,174 stations was \$10,300 last year vs. a revised figure of \$10,600 for 1958. The median loss for 1,074 AMs reporting they were in the red was \$7,200 in 1959 vs. \$7,500 (revised) a year earlier.

(4) Expenses for the full-year AMs averaged \$144,201, profits \$16,833.

(5) Of 148 FM-only stations reporting, 110 lost money last year. Over-all FM-only revenues totaled \$4.3 million, expenses \$5.9 million for a loss of \$1.6 million. FMs operated by AM licensees reported 153-station revenues of \$1.4 million.

**KFSD-TV & KFSD San Diego** are reportedly due to be sold shortly—with Cowles Bestg. Co. among those mentioned as the purchaser. Negotiations for sale to Hugh Haff family, owners of WOAI-TV San Antonio, for some \$7 million, are now said to have fallen through. The San Diego stations are owned by *Newsweek* and the investment firm of Fox, Wells & Rogers. The magazine owns 45.2%, having paid \$1.5 million for its share in 1957. There were reports last week, too, that KMBC-TV & KMBC Kansas City were being sold to Metropolitan Bestg. Co. KMBC-TV exec. vp-gen. mgr. John Schilling said many unsolicited offers for the stations had been received over a long period, but no sale has been negotiated.

CP for Ch. 51, Louisville, has been granted to Kentuckiana TV Inc., following the drop-out of competitor United Electronics Lab. Bartley abstained, King dissented.

KRDO-TV Colorado Springs may also identify itself with Pueblo under a waiver of the rules granted by FCC. Comrs. Bartley & Lee dissented.

**NAB Staff Marches On:** Continuing the industry self-improvement lecture tour they started Oct. 13-14 in Atlanta (Vol. 16:42 p2), NAB staffer moved on to Dallas & San Francisco last week for repeat performances of fall TV-radio conference presentations.

As in Atlanta, staff diagnoses of & prescriptions for industry problems were rounded up & supplemented by NAB Policy Committee member G. Richard Shafro (WISTV & WIS Columbia, S.C.). He was the first-day luncheon speaker at the Oct. 18-19 Dallas conference and Oct. 20-21 San Francisco sessions.

Main guest speakers at the 2nd & 3rd of NAB's 8 regional conferences were Chmn. Will C. Grant of Grant Advertising Inc., Chicago, and U. of Cal. journalism Prof. Charles H. Hulten, who addressed closing luncheons.

In Dallas, Grant told Southwestern broadcasters at the Sheraton-Dallas Hotel that it wouldn't be long in the electronic age before U.S. advertisers would be able to reach international TV & radio audiences. He said broadcasting has been "a magic catalytic agent" for domestic industrial expansion. Grant predicted that TV & radio will produce further industrial advances when they cross international borders.

A feature of the Dallas conference was presentation of an NAB memorial plaque to Mrs. Alexander Keese, widow of the late managing dir. of WFAA-TV & WFAA Dallas. He was a 1955-1959 NAB Board member, representing District 13, and had served on many NAB committees.

In San Francisco, Hulten told West Coast station executives in the Mark Hopkins Hotel that broadcasting is fast coming into its own as a news medium. "People look to radio as the place they can get their news first when they want news," he said. He saw TV as "especially important" when it comes to "helping people get the facts they need to make up their minds on issues, candidates and the like."

Remaining NAB conferences: Denver (Denver-Hilton), Oct. 24-25; Omaha (Fontenelle), Oct. 27-28; Washington (Statler-Hilton), Nov. 14-15; Chicago (Edgewater Beach), Nov. 21-22; N.Y. (Biltmore), Nov. 28-29.

The 3-man NAB policy committee will be represented at Denver & Chicago by Merrill Lindsay (radio WSOY Decatur, Ill.). His luncheon-address theme: Recent actions by Congress & FCC "go in the direction of emancipating broadcasters" from extra-rigid controls, but TV & radio must make sure they understand their community-service responsibilities. Committee Chmn. Clair R. McCollough (Steinman Stations) will be at Washington & N.Y. meetings.

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AMST reaffirmed its basic principles in a Washington board meeting last week, resolving that: (1) All 12 vhf channels be retained & used for wide-area service. (2) Attempts be made to get more vhf. (3) Uhf be encouraged, side-by-side with vhf. (4) It's premature for FCC to cut vhf spacings before developing long-range plans. (5) If vhf spacings are to be cut nonetheless, they should be done in a single proceeding embracing all short-spaced proposals—limited to "exceptional circumstances" where it's necessary to relieve "serious shortages" in "larger markets"—and without impairment of existing service. The board also decided to participate in FAA's tall-tower rule-making proceeding (see p. 5).

Sale of WHTN-TV Huntington-Charleston, W. Va. to Reeves Bestg. & Development Corp. by Cowles Bestg. Co. has been confirmed. Reported price: \$2 million.

World's tallest tower is now in use by KFVS-TV (Ch. 12) Cape Girardeau, Mo., following FCC authorization.

Strike against KXTV Sacramento enters its 4th week Oct. 24, with negotiations completely broken down and no end in sight. Owner Corinthian Bestg. Co. is operating the station with management & crews from other Corinthian stations, along with crews from KOLO-TV Reno, which picks up CBS-TV feeds from KXTV. Striking are NABET (32 members) & AFTRA (10 members). They walked out after failing to agree with the station on terms for a new contract. Corinthian contends the strike is illegal, since it inherited the labor contracts when it purchased the station (formerly KBET) last year. NABET has filed unfair labor practice charges with NLRB. Richard P. Hogue resigned as vp & station mgr. as a result of "differences of opinion," apparently over terms offered to the unions. KXTV secy. Robert Salk is temporarily serving as station mgr. Sporadic violence was reported last week, including the explosion of a homemade bomb in a station official's car. No one was injured.

Daytime radios sell for over \$500,000: KGMS Sacramento, Cal. has been sold by A. C. Morici & Associates for \$650,000 to a group headed by A. J. Krisik, Ted Wolf and Judd Sturtevant. Buyers own radios KFIV Modesto, Cal.; KAGO Klamath Falls, Ore., and KFAX San Francisco. And KIMN Denver, Colo. has been sold by Cecil L. Heftel for \$607,000 to John Hunter, Bobby Donner Jr., Kenneth Palmer and associates. Broker for sales was Edwin Tornberg & Co.

FTC consent orders have been signed by these record firms in a new batch of payola-case settlements: Starday Recording & Publishing Co. Inc. and Starday International Sales Co. Inc., Madison, Tenn. Hit-Record Distributing Co., Cincinnati. S & S Distributing Co., Detroit. Peacock Record Co. Inc., Houston. ARC Distributing Co., Detroit. Mayfair Distributors Inc., N.Y. Cadet Distributing Co. Inc., Detroit.

RCA shipped a supertturnstile antenna Oct. 11 and a 25-kw transmitter Oct. 14 to KELP-TV (Ch. 13) El Paso, Tex., which plans a power boost from its new site; a traveling wave antenna Oct. 12 to KROC-TV (Ch. 10) Rochester, Minn., also planning move to new site & power boost; a pylon antenna Oct. 17 to KBAK-TV (Ch. 29) Bakersfield, Cal., also due to move site & boost power.

Radio station sale: WEW St. Louis, by Bruce Barrington for approximately \$600,000 to Franklin Bestg. Co. (WWOM New Orleans, KOME Tulsa, WMIN Minneapolis-St. Paul, WLOD Pompano Beach, Fla.), which is headed by Wm. F. Johns Jr. Broker was Hamilton-Landis.

A million dollars' worth of Marconi Mark IV 4½-in. image-orthicon cameras has been exported from Britain in the year since the camera was introduced, Marconi announced last week. The British manufacturer reported that 70 were sold in the U.S., most of them through Ampex Corp., and "well over 200" more in other overseas countries.

Outstanding film & tape commercials will be screened by KTTV Los Angeles at the first American TV Commercials Festival & Forum Oct. 25-26 for agency executives and clients. Commercials were selected from 1,359 entries by 50 top admen in N.Y. last May.

Facility changes: KTVW (Ch. 13) Tacoma, Wash. received program test authorization Oct. 17 for boost to 214 kw • KVIQ-TV (Ch. 6) Eureka, Cal. has begun construction at new site, plants boost to 100 kw about Dec. 15.

New remote-pickup band, 161.625-161.775 mc, for exclusive use of broadcasters, is being proposed by the FCC in lieu of the originally proposed 161.645-161.825 mc.

## Programming

**The Last Debate:** The TV-radio industry's biggest 1960 public-affairs success—the 4-program *Great Debate* series—finished its pre-election run Oct. 21, plans for an extra debate having been scrapped due to lack of agreement among the candidates' representatives. From now on, the TV-radio exposure burden will be carried mainly by free guest shots and political shows (a Nixon appearance on *Person to Person*; ABC's *Campaign Roundup*, CBS's *Presidential Countdown*, NBC's *The Campaign & The Candidate*, etc.).

There had been talk of a 2-hour debate, but a committee of representatives of the candidates & networks decided, late last week, that "in the time involved, an acceptable program . . . could not be developed."

The door was still open, however, for a 5th debate. Kennedy wired Nixon on Oct. 21 urging such a TV meeting and adding that more than 5 debates would be helpful if the record were to be "corrected properly." At a briefing session in N.Y. Oct. 21 for reporters covering the TV debate later that day, Kennedy's press secy., Pierre Salinger, stated that the Democrats would particularly like a 5th debate "to defend ourselves against the TV saturation campaign planned by the Republican Party in the 2 weeks prior to the election." We asked Nixon's press aide, Herb Klein, just how extensive this "saturation" would be. Replied he: "We expect to have some increase in our TV, but I wouldn't call it 'saturation.'"

Paid political network telecasts, already on the lean side (Vol. 16:39 p8), continued to get leaner for the networks. The 60-min. segment reserved by the Democrats on CBS-TV for Election eve last week was trimmed to a 30-min., 11:30-midnight show, and there was talk around the networks that some of the 5-min. time periods held by both parties might be abandoned.

*Great Debate* film clips were being used in paid political programs. Nixon's campaign director, Robert Finch, complained that a 5-min. Kennedy commercial seen on TV Oct. 20 included spliced film from the first TV debate which made it appear that Nixon was agreeing with Kennedy statements. "Vicious political trickery of the most contemptible sort," said Finch.

The debates also left a financial problem in their wake. Not yet resolved is the question of payment for the extra network lines involved in ABC's origination of the Oct. 13 (3rd in series) debate show. ABC, N.Y. sources told us, wants CBS and NBC to help split the above-normal line charges resulting from the N.Y.-and-Los Angeles origination of the program. Since no formal inter-network deal was ever worked out, the situation, as one ABC official admitted, is "delicate," particularly since ABC also assumed the origination of the Oct. 21 telecast.

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To insure continuation of face-to-face TV debates in future campaigns, Radio-TV News Directors Assn. Pres. William Small (of WHAS-TV Louisville) called on Nixon & Kennedy for a future guarantee. Both candidates were asked whether they would be willing to participate in TV debates in 1964 or to have others do so, if neither is up for re-election. "I feel it is important now that the next President indicate his feelings on a similar series in 1964. If the candidates don't go on record prior to Nov. 8, the ultimate winner may well yield to the pressure of advisers and decline to debate in the future," Small stated.

**Hogan's Quiz Kids:** Last fall's quiz scandal bounced back into headlines last week when N.Y. DA Frank S. Hogan lowered the boom on nearly 2 dozen quiz-show winners. Hogan's action was taken on the basis of perjury informations handed up by a N.Y. grand jury (Vol. 16:41 p4). The group surrendering to Hogan included such big-money ex-contestants as Charles Van Doren (\$129,000), Elfrida Von Nardroff (\$220,500) and Hank Bloomgarden (\$98,500). Charged by the grand jury with 2 counts of 2nd-degree perjury in denying they had received questions & answers in advance on *Twenty-One* and *Tic Tac Dough*, members of the group were arraigned before Chief Special Sessions Justice John M. Murtagh. All face a maximum penalty of a year in jail and a \$500 fine.

Large-scale religious public-service project "whose object & scope is without precedent in American broadcasting" will be launched by WFIL-TV & WFIL Philadelphia Thanksgiving Day and continue through Brotherhood Week in February. Under the name, "One Nation Under God," the project will feature weekly special programs from churches & synagogues in prime time; "sermonettes" throughout the broadcast day by prominent clergymen and laymen, including J. Edgar Hoover, Henry Luce, Walt Disney, Rod Serling; spot announcements emphasizing importance of religion today.

American Federation of Musicians cracked down last week in N.Y. on alleged "tracking abuses." Specifically, AFM filed charges against conductor Henry (Hank) Levine and 10 musicians for recording an all-music soundtrack to which a vocal was to be added later. "This practice," said AFM, "is in violation of Federation law and labor contracts with recording companies. Subsequent dubbing of the vocal to produce a completed recording is an unartistic short-cut to further reduce the work hours of musicians, and we are alerting our officers and members in every recording jurisdiction to report such abuses."

First casualty of 1960-61 season will be MCA's 60-min. filmed *Riverboat* series, currently occupying the Mon. 7:30-8:30 p.m. slot on NBC-TV with DuPont, Gold Seal, and Block Drug as sponsors. The series, known backstage at the network as "Wagon Train with boats," will be replaced Jan. 23 by a 60-min. Civil War-era telefilm show, *The Canfield Brothers*. This is the NBC-produced series originally titled *The Blue & the Gray*, developed by producer Frank Telford.

Three-point program to cure "TV's ills," as proposed by N.Y. Herald-Tribune Syndicate columnist John Crosby in Nov. *Ladies' Home Journal*, is patterned after Britain's TV system. (1) Commercial sponsorship, *per se*, should be banned, substituting magazine-concept advertising in which advertisers have no authority or control over programming. (2) The FCC should establish a Program Advisory Board to hold networks "genuinely accountable" for their program balance. (3) A non-commercial "National Network" should be established and operated with public funds to provide cultural programming.

Minority political parties will get a helping TV hand from CBS which has scheduled an Oct. 30 report on the subject titled "Other Hats in the Ring." To be produced for the public affairs dept. of CBS News by Bill Kobil, the show will trace 3rd-party activity in America from the "Know-Nothings" of the 19th century through the Dixiecrat movement of 1948. Special guest for the show: Norman Thomas, veteran Socialist Party Presidential candidate.

## Networks

**Electronic Election:** All 3 networks are planning to make extensive use of electronic computers in their election-night coverage. In a sense, the telecasts will act as showcases for the latest computer technology. The lineup:

**NBC & RCA:** For the first time, NBC will use parent RCA's new 501 data processing system as the "brain" of its election reporting. Studio 8-H will be the network's "Election Central" but special audio-video links will also operate to RCA's N.Y. Electronics Service Center at 45 Wall St. where commentator Richard Harkness will be in charge of what NBC calls "Operation Ballot."

**ABC & Remington-Rand:** ABC will use the newest Univac equipment in remote pickups from Remington-Rand's N.Y. data processing center, with newsman Don Goddard reporting. The main ABC election commentary will originate in the network's big TV-1 studio on West 66th. St., Manhattan.

**CBS & IBM:** International Business Machines Corp. and CBS will be partnered on election night, with CBS drawing predictions & analysis from a new 7090 computer located in IBM's midtown Manhattan data center. Walter Cronkite will act as "anchor man," with Edward R. Murrow, European correspondents Eric Sevareid and David Schoenbrun, and CBS News Washington correspondent Howard K. Smith spearheading the news team.

### Network Television Billings

August 1960 and January-August 1960

For July report, see TELEVISION DIGEST, Vol. 16:38 p8

**Aug. Billings Up 9.1%:** Network TV's August gross time billings totaled \$50.9 million—9.1% ahead of the \$46.6 million billed in Aug. 1959. Tvb's latest tabulation shows, however, that normally-upbeat August ran markedly behind July 1960's \$55.8-million business. August billings increased the year-to-date total to \$442.9 million, compared with \$402.8 million for Jan.-Aug. 1959. However, the slowed August performance reduced the cumulative percentage gain to 10% from 10.1% the preceding month.

CBS, as usual, led the networks in dollar volume, both in August (\$21.4 million) and year-to-date (\$183.2 million). NBC cut the gap, however, with a 4.4% August gain (vs. CBS's 1.5%) to \$18 million. ABC was the leader in percentage gains: 38.5% for Aug. over Aug. 1959, 29.3% for Jan.-Aug. over 1959's first 8 months.

#### NETWORK TELEVISION

	Aug. 1960	Aug. 1959	% Change	Jan.-Aug. 1960	Jan.-Aug. 1959	% Change
ABC	\$11,366,100	\$8,205,520	+38.5	\$100,846,330	\$78,019,506	+29.3
CBS	21,448,482	21,137,261	+ 1.5	183,229,196	174,154,590	+ 5.2
NBC	18,067,603	17,298,527	+ 4.4	158,865,358	150,662,789	+ 5.4
Total	\$50,882,085	\$46,641,308	+ 9.1	\$442,940,884	\$402,836,885	+10.0

#### 1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,983
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,049,440	18,959,323	52,957,463
July	12,529,660	23,442,997	19,805,457	55,778,114
August	11,366,100	21,448,482	18,067,503	\$50,882,085

**Note:** Figures revised as of Sept. 29, 1960. 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 basis of one-time rates or before frequency or cash discounts.

**Canada's TV Networks:** The Board of Broadcast Governors last week issued final regulations for the operation of privately-owned TV networks in Canada and posted a Nov. 14 deadline for license applications. Public hearings on the applications will be held Nov. 29.

The network regulations are virtually unchanged from those proposed & discussed at BBG's public hearings in September (Vol. 16:38 p8), and define a network as an affiliation of stations for film, tape or interconnected programming. The general regulations limit a station's affiliation to one network, ban a network from using a single program source, and specify a minimum "reserve time" of 8 hours weekly (but suggest 10 hours to start).

BBG emphasized its authority to grant new TV station licenses conditional with affiliation with the CBC network, but noted that station affiliation with a private network would be voluntary. In cases of disputes between network & affiliates, the BBG, under a new ruling, is authorized to adjudicate.

During the September hearings, it was argued that contractual agreements involving reserve time might be misinterpreted as operating a network. In such cases, BBG says, it will require the station operator at a public hearing "to show cause why he should not either file an affiliation agreement or modify his operations."

### NETWORK SALES ACTIVITY

#### ABC-TV

**The Spirit of the Alamo**, Nov. 14, 9:30-10:30 p.m., one-time special, full sponsorship.  
*Pontiac* (MacManus, John & Adams)

**American Bandstand**, Mon.-Fri. 4:30-5:30 p.m., part. Nov. *Lehn & Fink* (Ted Bates)  
*Toni* (North)

**Roaring 20s**, Sat. 7:30-8:30 p.m., part. eff. Oct. *Colgate-Palmolive* (Ted Bates)

**Bugs Bunny**, Tue. 7:30-8 p.m., part. eff. Oct. *Mattel* (Carson-Roberts)

**Naked City**, Wed. 10-11 p.m., part. eff. Dec. *Procter & Gamble* (Benton & Bowles)

**Adventures in Paradise**, Mon. 9:30-10:30 p.m., part. eff. Dec. *Procter & Gamble* (Benton & Bowles)

**The Islanders**, Sun. 9:30-10:30 p.m., part. eff. this month. *Procter & Gamble* (Benton & Bowles)

**Walt Disney Presents**, Sun. 6:30-7:30 p.m., part. eff. Dec. *Procter & Gamble* (Benton & Bowles)

**Paul Winchell Show**, Sun. 4-4:30 p.m., co-sponsorship Dec. *Hartz Mountain Products* (H. Hartman)

**Daytime programming**, Mon.-Fri., part. eff. Oct. & Nov. *Bristol-Myers* (Gilbert & Benton)  
*J. B. Williams* (Parkson)

*Dow Chemical* (Norman Craig & Kummel)  
*National Biscuit* (Ted Bates)

#### CBS-TV

**Red Skelton Timex special**, Wed. Nov. 30, 8:30-9:30 p.m. one-time special, full sponsorship.  
*Timex* (W. B. Doner)

#### NBC-TV

**Something Special**, Sun. Dec. 4, 10-11 p.m., one-time special, with American Child Guidance Foundation.  
*New England Mutual Life Ins.* (BBDO)  
*Quaker Oats* (J. Walter Thompson)  
*Gerber's Baby Foods* (D'Arcy)  
*Sterling Drug* (Dancer-Fitzgerald-Sample)

## Advertising

**'Brand X' Is For Real:** Madison Ave.'s favorite Patsy—the fictitious "Brand X" with which everything from beer to toothpaste has long been invidiously compared—is no longer a backstage advertising joke. In fact, you'd better check with your legal dept. if you're planning "Brand X" comparison commercials. Like the ugly duckling who made good, "Brand X" now has a positive identity. In fact, it has several.

A new Brand X cigaret will go on the market this month with the slogan: "For the man who is satisfied with nothing less than second best." The inventors of the brand & its theme—Wexton Co. Inc. exec. vp Martin Solow, Monroe Greenthal Co. Inc. vp & creative dir. Dave Diener and Wexton copy chief Ed Handman—believe in 2nd place "because first place is too crowded." Budget permitting, the cigaret will begin TV advertising in the immediate future. Planned commercials will build the "2nd place" theme by enclosing pictures of U.S. Vice Presidents in every pack. ("Our cigaret is for the man who as a boy dreamed of becoming a Vice President," said Solow.)

Another Brand X, this one a window cleaner, is already on the market, launched a few weeks ago by Gleema Co. of Cincinnati. "Brand X was chosen as the name," said Gleema Pres. Harry Chafvin Jr., "because it has already had a lot of free publicity." Chafvin's TV plans have not been announced. An Ohio liquor dealer has been using "Brand X" labels on his private-brand whiskey & gin for some time, reports it selling extremely well because "customers have seen it advertised on TV."

At least one other Brand X product, popcorn, is expected to appear on the market in the near future.

**Ad People:** Harold Miller elected vp & associate media dir., Grey Advertising, succeeding Eugene A. Accas, now network relations vp . . . Randolph T. McKelvey promoted from vp to senior vp, Young & Rubicam . . . Lee Currin promoted from vp & associate media dir. to vp-media dept. mgr., Benton & Bowles; Rudy Maffei promoted from asst. to associate media dir. . . . Robert H. Ellis and James J. Jordan Jr. named BBDO vps . . . Milton H. Raymond named senior vp & chmn. of new administrative plans board, Grant Advertising; David Fenwick appointed senior vp & creative supervisor . . . William C. Munro, ex-Foote, Cone & Belding, named D'Arcy mktg. dir. . . . Wilfred S. King elected exec. vp, J. M. Mathes.

Renault's TV-radio billings, now more than \$2 million annually, have been shifted from Kudner to Needham, Louis & Brorby, Chicago ad agency which already has Renault's \$2-million-plus print billings. Renault, like most import car lines, has been hard-hit by the 1959-60 sales success of Detroit's compact cars and has planned for some time to consolidate its ad billings with a single agency. N.Y. agency sources last week speculated to us that, if anything, the move suggested budget cutbacks for Renault's broadcast (but not print) spending. In France, Renault has recently put nearly 20% of its auto labor force on layoff as a result of a decline in export sales, principally to the U.S.

General Motors has agreed in an FTC stipulation to eliminate advertised claims that its 1960 Corvair will deliver 33 miles per gallon of gasoline. It also agreed to discontinue boasts that the car averaged 27.03 miles on a gallon of regular gasoline on the "Mobilgas economy run."

## Television Digest

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**Personals:** C. Howard Lane, longtime exec. vp of KOIN-TV Portland, Ore., named pres. of Mount Hood Radio & TV Bctg. (KOIN-TV & KOIN) to succeed late Ted R. Gamble . . . Alan W. Livingston named a Capitol Records vp, returning to the company after being Cal. National Productions pres. and NBC-TV West Coast programming vp . . . Earl J. Kolb named FTC hearing examiner dir., replacing Everett F. Haycraft, who is retiring after 43 years service . . . Dr. William E. Glenn, GE Labs research physicist who invented thermoplastic recording, wins Ga. Tech's George W. McCarty Award for "outstanding young alumnus of 1960" . . . Lewis P. Johnson is mgr., NBC Radio Spot Sales Eastern office . . . James S. Bacharach named Trendex mkt. services vp . . . Andrew J. McCaffrey named PR dir., WPIX N.Y.

Martin Block is retiring on Oct. 29, after 30 years as a disc jockey. During the years since he first started spinning records and chatting with musical personalities, his *Make Believe Ballroom* became one of radio's fixtures. Said Block of his retirement: "Some of the young fellows in the business will do well. As for the payola scandal, only good can come from it. It's as if the people making records were suddenly struck with the realization that they can only succeed with quality. The songs are better, the performances are better since the scandal."

Federal Communications Bar Assn. luncheon at Washington's Willard Hotel Oct. 25 will feature a discussion of Communications Act amendments by FCC Chmn. Ford.

Meetings next week: EIA-IRE Radio Fall Meeting (Oct. 31-Nov. 2), Syracuse Hotel • Ohio Assn. of Bctrs. fall convention (Nov. 3-4), Columbus Athletic Club • AWRT Pennsylvania conference (4), Harrisburg, Pa. • Mo. Bctrs. Assn. (5-6), Lennox Hotel, St. Louis.

## Obituary

Andrew B. Turnbull, 75, president of the Green Bay Newspaper Co. (radio WJPG Green Bay, Wis.) and the Post Publishing Co., Appleton, Wis., died Oct. 17 of a heart attack in Allouez, Wis. Turnbull was the first president of the Green Bay Packers. He is survived by 2 daughters.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**NEXT NEW TUBE SIZE—SQUARE 16-in.?** Tube sizes have stopped going up again—and, once more, there's no place to go but down. At request of several set makers (understood to include Admiral & Philco), Corning will begin sampling 16-in. square-cornered 114-degree tube bulbs in December.

Following historical pattern of tube sizes—steady increases up to a plateau, then a return to smaller sizes—industry again shows interest in "something smaller." Still, it's doubtful whether this interest will be universal or strong enough to make possible production of 16-in. tubes at low enough price to warrant production. Upward trend in sizes leveled off at 23-in., and glass & tube makers have shelved plans for 26-in. rectangular tube because of insufficient industry interest (Vol. 16:31 p17).

New 16-in. tube would be designed for low-end portables and battery portables. At least initially, it would be available in non-bonded version only.

Is there any market for 16-in. tube for conventional-type portables? There may be, according to survey made by Corning and relayed to tube makers, indicating rather surprising potential popularity. In 2 separate tests, groups of consumers were shown 2 portable sets—one with 19-in. and the other with prototype of 16-in. square-cornered tube. In one case 60% said they favored 19-in., 36% favored 16-in. (4% having no preference); in the other test 59% liked the 19-in., 38% the 16-in.

Importance of portability was established by affixing signs to the sets giving respective weight. For the first test group, the 19-in. was labeled "39 lb." the 16-in. "25 lb." Then the voting changed—51% preferring the 19-in. and 46% choosing the 16-in. With the 19-in. still labeled "39 lb." and the 16-in. labeled "31 lb." the 2nd group favored the 19-in. more strongly—69%, vs. 28% for the 16-in.

Tests also seemed to show that price is secondary factor to other important features. With the 19-in. set tagged at \$219 (and 39 lb.) and the 16-in. at \$189 (and 25 lb.), result was almost even—49% choosing the 19-in. and 48% the 16-in. For the other test group, the 19-in. price tag was kept at \$219 (and weight at 39 lb.), but 16-in. price was reduced to \$169 and weight raised to 31 lb. Vote then was overwhelmingly for 19-in. set—68% to 31%—despite \$50 price differential.

Cost obviously will be important determinant in whether industry buys 16-in. tube. And this is the big rub: It's understood that Corning has told manufacturers price of 16-in. bulb would be higher than the 23-in. if it were produced in quantities similar to the old 14-in. tube, that at even double those quantities, it still would be priced somewhat higher than 19-in. bulb. So it's obvious that unless there's an all-out industry slide toward the 16-in., there's not too much possibility of its being produced at all.

• • • •

Price increase in 19-in. tubes now seems certain during first quarter of next year, based on rise understood to be in the works by Kimble Glass Co. and presumably due to be followed by Corning. They'll result in hike of \$1 or more in price of finished tubes, which, translated to retail, could mean boost of \$4-5 in prices of 19-in. sets. If, as some manufacturers predict, there'll be general TV price increase early next year (Vol. 16:42 p17), this rise would be incorporated in any new price levels.

Actually, 19-in. tube is something of a bargain today. Non-bonded version (114 degrees) now sells to set makers at \$16—even less than former price of 110-degree 17-in. (\$16.25) when that was standard tube for portables. The 23-in. non-bonded tube (114 degree) now costs \$21.25, exactly same price as 21-in. 110-degree, while the 110-degree 23-in. bonded tube costs \$24.75.

New 19-in. tube is coming out in next 30 days—with 92-degree deflection angle, making possible lower-cost (but deeper) sets because of lower voltage requirements. It is companion to 92-degree 23-in. tube, already on market (which replaced 90-degree 23-in. tube.)

Note: RCA is due to introduce improved version of its 21-in. color tube in December. Best information indicates it will still be same round shadow-mask tube but with new phosphors giving brighter and better color & b&w renditions. RCA tube officials decline comment on this development except to state that "we are always working on new designs in every area of color performance, including tubes," but that "the present shadow-mask tube is the best that has been discovered."

### TV-RADIO PRODUCTION: EIA statistics for the week ended Oct. 14 (41st week of 1960):

	Oct. 7-14	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	124,587	131,583	185,390	4,624,836	4,856,483
Total radio .....	433,493	426,968	447,496	13,263,868	11,805,476
auto radio .....	156,510	169,171	133,639	5,107,517	4,422,144

**AUGUST PHONO SALES HIGH:** Retail unit sales of phonos in August were 13% ahead of Aug. 1959—unlike TV sales, which showed a 13% decline (Vol. 16:41 p14)—according to latest EIA figures. The rise from a year ago was not quite so sharp, however, as July's 15% increase. Cumulative retail sales for 8 months were 16% ahead of last year in units, but probably up more sharply in terms of dollar volume because of the higher proportion of stereo to monophonic units (better than 3-to-1 so far this year as opposed to nearly 50-50 in last year's first 8 months).

Factory sales continued to run well ahead of last year in August. For the 8 months, factory sales slightly exceeded retail sales this year, while last year they were a shade lower than retail sales. EIA data for 8 months:

#### PHONO FACTORY SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	118,400	341,329	459,729	184,147	177,336	361,483
February .....	92,649	324,666	417,315	164,873	188,750	353,623
March .....	63,264	242,523	305,787	119,075	168,117	287,192
April .....	30,962	142,409	173,371	47,153	125,111	172,264
May .....	36,793	146,176	182,962	33,356	89,827	123,183
June .....	69,293	198,407	267,700	44,976	152,900	197,876
July .....	70,992	222,559	293,551	44,591	158,668	203,259
August .....	109,321	307,517	410,838	65,179	277,545	342,724
<b>TOTAL</b> ....	<b>591,674</b>	<b>1,925,586</b>	<b>2,517,260</b>	<b>703,350</b>	<b>1,338,254</b>	<b>2,041,604</b>

#### PHONO RETAIL SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	150,688	368,964	449,923	231,429	159,214	390,643
February .....	102,063	347,860	448,128	171,127	156,477	327,604
March .....	61,249	249,497	310,746	139,577	140,075	279,662
April .....	41,503	152,141	193,644	94,226	118,197	212,423
May .....	39,734	141,080	180,814	70,228	82,765	152,993
June .....	44,925	165,339	210,264	66,979	100,982	167,961
July .....	58,787	180,949	239,736	82,742	124,979	207,721
August .....	79,364	257,581	336,945	98,132	198,926	297,058
<b>TOTAL</b> ....	<b>578,313</b>	<b>1,863,411</b>	<b>2,441,724</b>	<b>954,440</b>	<b>1,081,615</b>	<b>2,046,055</b>

\* \* \*

Factory sales of transistors climbed in August to 9,732,993 units at more than \$22.7 million—topping slow July by more than 2.6 million units at \$4.6 million. The August sales & dollar volume also were ahead of the year-ago levels by about the same margins. The EIA's monthly figures on factory sales of transistors:

	1960		1959	
	Units	Dollars	Units	Dollars
January .....	9,606,630	\$24,714,580	5,195,317	\$13,243,224
February .....	9,527,662	24,831,570	5,393,377	14,550,056
March .....	12,021,506	28,700,129	6,310,286	18,117,560
April .....	9,891,236	23,198,576	5,906,736	16,864,049
May .....	9,046,237	24,714,580	6,358,097	19,007,293
June .....	10,392,412	27,341,733	6,934,213	18,031,593
July .....	7,070,884	18,083,802	6,030,265	15,618,315
August .....	9,732,993	22,739,969	7,129,696	18,054,138
<b>TOTAL</b> ....	<b>77,289,560</b>	<b>\$193,756,732</b>	<b>49,257,987</b>	<b>\$133,486,228</b>

**Radio Fall Meeting Agenda:** "Electronics in the Consumer Products Market" will be the topic of Edward R. Taylor, Motorola consumer products div. exec. vp, principal speaker at the annual EIA-IRE Radio Fall Meeting Oct. 31-Nov. 2 at the Syracuse Hotel, Syracuse, N.Y. Highlights of technical papers:

Effect on Color TV of Dr. Edwin Land's Color Experiments, C. J. Hirsch, RCA, chmn., EIA Broadcast TV System Committee. Reliability & Quality Control session, J. R. Steen presiding, with participants J. A. Davies & C. D. McCool, GE; E. P. Laffie, CBS Electronics; J. R. Isken, International Resistance; H. C. Bartels & C. B. Tague, Lansdale div., Philco. Tube session, H. R. Terhune presiding: High-Efficiency Power Rectifier Tube, Frank R. Snyder & C. D. McCool, GE; Multi-Unit Tubes for Auto Receivers, N. C. Johnson & B. Lankford, RCA; 10-Pin Miniature Tubes, W. J. Sember & L. R. Maguire, Sylvania.

Semiconductor session, R. M. Cohen, presiding: AGC Characteristics of vhf Germanium Mesa Transistors, Roger L. Weber & R. C. Grimes, Texas Instruments; Variation of Transistor HF Noise Figure & Gain with Life, C. D. Simmons & C. R. Gray, Lansdale; AM-FM Receiver Utilizing Autodyne Converter, H. Thanos & L. Plus, RCA; Transistorized Horizontal Deflection, Douglas W. Taylor, Motorola.

Radio & TV sessions, I. J. Kaar & W. P. Boothroyd, presiding: Nuvistor Triode in UHF Tuners, C. Gonzalez, RCA; Phase-Splitter Video Amplifier for Transistor TV, Z. Wieneck, Warwick; Power Sources for Low-Heater-Power Tubes in Transistorized Receivers, B. Soltoff & C. Tyson, Philco; Benefits of a New TV Aspect Ratio, W. D. Schuster, Sylvania, & C. E. Torsch, Rola Co.; Enhancement of Band-Limited TV Images, J. E. Hefele, Bell Labs; A TV Stereo System, R. B. Dome, GE; Compatible AM Stereocasting, J. Avins, RCA; Transistorized AM-FM Receiver Using MADT Transistors, T. C. Lawson & J. Heinrich, Philco; New Concept in Citizens Band Systems, H. L. Richardson, Sylvania.

Gross National Product dropped 0.5% in 3rd quarter 1960, President Eisenhower's Council of Economic Advisors estimated last week. The estimate substantiated other indicators that consumers spent less, although their incomes were up. Consumer spending, according to the estimate, was down particularly in non-durables (food, clothing, etc.), probably traceable to lower food prices. The new figures indicated that this decline in consumer non-durable spending wasn't compensated by a rise in spending for durables—but that the money went into savings instead. Personal savings increased by an annual rate of nearly \$4 billion in the 3rd quarter, equal to 8.1% of personal income after taxes.

**TRAV-LER'S PRIVATE BRANDS:** One of the "smaller" TV-radio-phono manufacturers—20-year-old TV pioneer Trav-Ler Radio Corp.—has revealed that half of its business now is in private brands, up from only 1.4% just 5 years ago.

In a prospectus for its 15-year, 6½% sinking-fund debentures due 1975 (Vol. 16:40 p19), offered by Lee Higginson Corp. and associates, Trav-Ler gives these facts about its growing private-label business:

From 1.4% of net sales in 1955, private-brand business grew to 4% in the period from Jan. 1 to April 30, 1956, to 4.2% in fiscal 1957 (ended April 30), 23.6% in fiscal 1958, 40.3% in fiscal 1959 and 49.5% in fiscal 1960. Trav-Ler says it manufactures private-brand products for Western Auto Supply, CBS Electronics & CBS International, Decca, Coast-to-Coast Stores, Gamble-Skogmo, the May Co., R. H. Macy. Products made for each are unspecified. "The 3 largest of such purchasers," says the prospectus, "accounted for approximately 18%, 11% & 7%, respectively, of the company's total net sales in fiscal year ended April 30, '60."

Other highlights of Trav-Ler's business as reported in the prospectus:

Net sales & profits for 3 months ended July 31 were down from the same 1959 period (as reported in Vol. 16:41 p20)—\$4,784,250 & \$104,718 in 1960 vs. \$5,191,954 & \$185,418 in 1959. These declines, says the prospectus, "reflect a condition which the company believes to be general in the industry for customers to take deliveries less rapidly this year than last year. In addition, the product mix for the first quarter of the current fiscal year contains a relatively larger proportion of lower-profit items. The company estimates that since July 31, 1960, the decline in gross sales & net income has continued as a result of the factors mentioned above."

Increased importance of phonos in Trav-Ler's operations this year is shown in the breakdown of product mix in terms of net dollar sales. For the 3-month period ended July 31, 1960 (compared with similar period ended July 31, 1959 in parentheses), these sales figures are given for product categories:

TV receivers \$1,400,571 (\$2,066,634), radios \$333,918 (\$589,339), phonos \$1,011,585 (\$233,115), hi-fi phonos \$1,097,532 (\$1,571,870), radio-phono & TV-radio-phono combinations \$242,406 (\$299,645), tape recorders \$413,667 (\$173,445), miscellaneous \$284,571 (\$257,906). Breakdown of sales in the same categories for fiscal year ended April 30, 1960: TV \$9,697,823, radios \$1,557,025, phonos \$1,545,272, hi fi \$5,283,019, combinations \$1,079,605, recorders \$1,505,292, miscellaneous \$779,936.

The company produces & finishes 95% of all wooden, and 100% of all fabricoid-covered TV, radio & phono cabinets in its production, produces 75% of its own dies. Its products are marketed through some 30 independent distributors & 20 sales reps. Fiscal 1960 salaries to top executives listed in prospectus: Pres.-treas. Joe Friedman, \$75,000; exec. vp-secy. Ellis Friedman, \$64,360. Joe Friedman owns 30.69% of the company's common stock directly and beneficially, while Mrs. Jeanette Friedman owns 10.98%, the other 6 officers & directors as a group holding 45.34%.

Consolidated balance sheet lists total assets of \$8,284,360; total current assets of \$7,256,317. Current liabilities total \$4,212,309.

Sylvania is producing a new line of 3-in. to 27-in. industrial & military cathode ray tubes with bonded faceplates.

**SARNOFF LAUDS JAPAN:** RCA Chmn. David Sarnoff last week applauded Nippon's electronics achievements and approved U.S.-Japanese competition as mutually beneficial "because of the stimulus it gives our own efforts & because of the economic strength it provides to us both."

In Tokyo, addressing the Japanese Federation of Economic Organizations, Sarnoff declared: "The field of electronics is broad enough to offer unlimited opportunities to anyone who can contribute to its advance. It is my conviction that the wisest policy of electronic research is one based not upon concealing knowledge, but upon the widest & swiftest dissemination of knowledge, so that all may benefit. This has long been the policy of my company. We like to be first when we can, but we are not distressed when others are first."

"In electronics today," he continued, "we need a further international expansion of research facilities, an even broader exchange of scientific knowledge, and further strengthening of arrangements for the utilization of new developments."

In an obvious reference to American industry's agitation over Japan's intensified product invasion, Sarnoff noted: "In the few days that I have been here [Vol. 16:42 p21], I have been honored by meeting many of Japan's great industrial & political leaders. I have full confidence in their ability to shape a course of moderation & wisdom in their export trade with the U.S. Reasonable standards of competition will enable both of us to reap the rewards of the vast advances in the electronics arts."

Sarnoff praised the Japanese electronics industry for its rapid advance which, he said, has increased production 7-fold in the past 5 years, to a level of more than \$1 billion a year.

"Japan's progress in electronics," he continued, "is best symbolized by the growth of TV. Almost alone, I am told, TV initiated the upsurge in Japanese consumer sales. One out of every 5 TV sets installed throughout the world last year was in Japan."

The RCA chairman noted that Japan's gross national product has almost tripled over the past decade, and that "Japan has emerged as one of the world's foremost industrial powers." Looking ahead, he forecast: "Electronics & other scientific endeavors are uniquely suited to your genius & skills, and they can provide the means for bringing Japan to new heights of progress, prosperity and prestige. With your talents already so vigorously engaged in these enterprises, I have every confidence that you will achieve these goals."

\* \* \*

Japan is appropriating "additional funds to help the Overseas Communications Cooperation Assn. build 10-kw TV broadcasting stations on Ceylon & Taiwan," reports Oct. 14 *Electronics*. "The Ministry of International Trade & Industry appropriated \$140,000. OCCA member firms will contribute another \$140,000. Tokyo observers see this as an obvious attempt to help get rid of the monthly TV production of some 300,000 sets which is threatening to flood the domestic Japanese market. MITI action came faster than usual in an attempt to make an end run around RCA, now reportedly offering easy terms to the Chinese Nationalist govt. to set up a TV bestg. company on Taiwan."

\* \* \*

Channel-Master introduces an 8-transistor Japanese-made table or personal radio at \$59.95.

**On Labor's Front:** The IUE made peace with Westinghouse last week but continued at odds with GE. A tentative agreement on a new 3-year contract was reached Oct. 20 by the union & Westinghouse 32 hours before a threatened strike by 39,500 (of Westinghouse's 116,000) employes at 38 plants. The terms were ratified by IUE's board Oct. 21.

The new agreement provides 2 salary boosts of 2-to-10¢ each, effective Oct. 17, 1960 & April 16, 1962; higher monthly pensions; increased holidays & vacations, other benefits. The contract excludes a cost-of-living escalator clause, contained in the previous 5-year contract, and, according to Westinghouse, will cost the company much less than under IUE's original demands and no more than the contract proposed by Westinghouse Sept. 6.

IUE's strike at GE was in its 21st day as we went to press, but there were signs, strengthened by the Westinghouse settlement, that the end might be in sight. At GE's big Schenectady plant, 8,700 IUE members accepted a company "truce" proposal and went back to work—evidence that strike fatigue was setting in.

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Shipments of semiconductor devices for the first quarter of 1960 totaled \$136.6 million, the Commerce Department's Business & Defense Services Administration reported last week in an official correction of its recent table of first-quarter component sales. To correct the table carried in our Oct. 10 issue (Vol. 16:41 p16), these changes should be made: Semiconductor devices, total quantity 73,430,000 units, of which 22,499,000 went to military and 50,931,000 to non-military customers. In dollar value, the shipments were worth \$136.6 million—\$66.4 million military, \$70.2 million non-military.

Westinghouse's "Curio Gallery" of hand-made decorator TV bases—designed as a promotion and shown for the first time at last July's Music Show (Vol. 16:29 p14)—is going into actual production. Four of the 7 Curio bases shown then are being introduced in production versions in distributor showings in 13 cities which began last week. All of the Curio models accommodate 19-in. Trendsetter TV sets. Also being shown by Westinghouse are 2 new 23-in. consoles and a new 19-in. portable.

Motorola has named 17 distributor salesmen & a regional manager winners of a contest which will send them on a "people-to-people" tour of Europe. The winners & their wives will sightsee England, Spain, Portugal and Tangiers, visit electronics factories, meet with foreign distributors & salesmen. Prior to departure, the Motorola "Ambassadors" will meet with State Department officials & UN representatives of the countries they will visit.

**Sign of the radio times:** Ads for Japanese radios outnumber those for U.S. brands by 8 pages to 5 in *Home Furnishings Daily's* Christmas Merchandising section Oct. 17. Japanese brands advertising: Toshiba (4 pages), Hitachi (2), Sony, Matsushita. U.S. brands advertised (radio only): Admiral (2 pages), Zenith (2), Sylvania.

Westclox enters radio market with a 6-transistor clock radio, incorporating a key-wound clock, at \$44.95 (\$49.95 with leather case, earphone & battery). Starting in Ohio & Pittsburgh markets, the General Time Corp. division plans to extend into national distribution next year. The firm did not state whether its radios are U.S.-made or imported.

New radio tuner has been patented by Emerson Radio's technical products div.—the Rotary-Axial Tuner—according to exec. vp Dorman D. Israel, who says it is completely linear, relatively inexpensive and "inherently miniaturized."

**Trade Personals:** Clarence H. Hopper, former CBS vp-facilities and onetime Arma mfg. vp, appointed president, CBS Electronics (phonos, tubes, semiconductors), succeeding Arthur L. Chapman, who joins CBS N.Y. hq staff, continuing as a CBS Inc. vp . . . James M. Toney, RCA Sales Corp. vp in charge of product planning & development, reassigned to staff of Chmn.-Pres. W. Walter Watts, in charge of special projects; C. Richard Johnston, who joined RCA corporate staff last year as mgr. of mktg. research after research posts at Ford and Chrysler, named mgr., product planning & development, RCA Sales Corp.; J. M. (Jack) Williams promoted to ad & sales promotion vp, RCA Sales Corp.

George Voigt named to new post of govt. relations dir., Zenith Radio Corp. military products . . . Z. W. Pique resigns as corporate mktg. vp, Hoffman Electronics; Lawrence Mendelsohn resigns as mfg. vp, military products div. . . E. O. Welker appointed to the new post of RCA Victor Record div. magnetic tape products mktg. mgr.; J. Y. Burgess Jr. promoted from record div. commercial sales mgr. to commercial sales vp . . . A. B. Pollock named TV instrument & cabinet mfg. operations mgr., RCA Victor Home Instruments, Bloomington, Ind., assuming also responsibility for production, Monticello (Ind.) plant; J. A. Scarlett appointed mgr., radio—"Victrola" instruments & components mgr., operations (Indianapolis & Cambridge plants).

Philip Dechert, Philco gen. counsel, named chmn., EIA law committee . . . Sheldon Newberger promoted from systems engineering mgr. to operations div. dir., Adler Electronics . . . Carl H. Heydeman named to new post of international sales dir., TelePrompTer . . . George Alexandrovich named chief engineer, Fairchild Recording Equipment Corp. . . . Dr. Myron S. Heidingsfield, ex-RCA consumer products div. mkt. research mgr., named Villanova U. School of Commerce associate dean . . . Arthur T. Stephan, ex-FXR, named Crosby-Teletronics controller.

Jack Frietsch named product mgr. for all electronic product lines of Philco's consumer products div.; formerly mgr. of radio & hi-fi product development, he adds responsibility for TV, taking over duties of Jack Siegrist, resigned. Frietsch will be assisted by William Balderston Jr., mgr. for TV line development, and Thomas Fisher, for home radio & phono . . . Edward J. Whalen, former dir. of contract administration for ITT Labs & Communications Systems, elected ITT secy. . . . L. H. Orpin, ex-RCA, rejoins Stromberg-Carlson as gen. mgr., Stromberg-Carlson-San Diego . . . Ozzie Jaeger named military relations mgr., Westinghouse semiconductor dept.

## Obituary

George P. Aldridge, 62, former sales vp of RCA's now-defunct Radiomarine Corp. of America, died of a heart attack Oct. 17 at his home in Haddonfield, N.J. Starting his 32-year career with RCA as a shipboard radio operator, he became vp of Radiomarine in 1951. After the division was disbanded in 1956, he was assigned to a marketing post in RCA's defense electronic-products div., Moorestown, N.J. He is survived by his wife, 2 sons and a grandson.

Charles K. Woodbridge, 79, chairman of the Dictaphone Corp., died Oct. 16 in the London Clinic, London, England. While he was mgr. of the Dictaphone div. of the old Columbia Graphophone Co. in 1922, he helped organize Dictaphone as a separate firm and became its first president. He previously had been president of Electric Refrigeration Corp. and a vp of Remington Rand.

**New plants & expansions:** Sylvania is constructing at Emporium, Pa. a 42,000-sq.-ft. R&D building for electron tubes. Slated for mid-1961 occupancy, it's the first of a group of R&D buildings to be erected on the site by 1963.

• Zenith will break ground next month at Paris, Ill. for a 100,000-sq.-ft. radio & components production plant. Pending completion of the plant next June, Zenith is occupying rented space in Paris. • RCA has opened an electronic data processing center in Chicago's Morton Salt Bldg. Its facilities will be available to local industries & businesses on a round-the-clock basis. The Chicago center is RCA's 4th in an eventual coast-to-coast chain. • Adler Electronics will open a 55,000-sq.-ft. production plant at Pelham, N.Y. Nov. 1. It will furnish a major part of Adler manufacturing, doubling present production capacity.

Radio which is worn in the ear has been introduced by Micro-Ceiver Inc., 24 Van Brunt St., Englewood, N.J. The entire 4-transistor set, including batteries, weighs less than an ounce and is smaller than a book of matches. It will retail for \$19.95, including batteries.

## Finance

**RCA PROFITS LAG:** Another sales-up-profits-down financial report was filed by an electronics giant last week. RCA reported that net income during 1960's first 3 quarters dropped 12% from a year ago—despite an 8% sales rise to a record \$1,061 million (see financial table). The same profit-lag pattern was evident in the September quarter. Sales rose to \$354 million from \$344.5 million in July-Sept. 1959, but profits fell to \$6 million from \$7.9 million. The profit drain: a heavy investment in computers.

Explained RCA Chmn. David Sarnoff & Pres. John L. Burns: "During the first 9 months of 1960, RCA has intensified its sales & manufacturing program in electronic data processing. The extent of our successful advance in this highly competitive field is indicated by the fact that orders for data-processing systems, in recent months, have exceeded our most optimistic forecasts. A substantial investment has therefore been required to meet the demands of American business, industry and govt. for these systems."

"Were it not for this investment in what we consider one of the most promising electronic growth areas, RCA's profits for the first 9 months of 1960 would have been at a near-record level because of the outstanding performance of various other major operating units of the corporation"—a performance which for the first time pushed RCA sales above the billion-dollar mark for the 9-month period.

\* \* \* \*

Westinghouse 3rd-quarter returns followed the same pattern: sales up, profit down. Compared with a year ago, Westinghouse sales in the September quarter increased 2% to \$503 million—but earnings dropped 8% to \$20 million (see financial table).

The 3rd-quarter performance sharply whittled the results of the first half (Vol. 16:29 p19), which closed with a profit gain of 18% on a 4% sales rise. For 1960's first 9 months, cumulative earnings totaled \$60.7 million—only 8% higher than Jan.-Sept. 1959's \$56-million profit. Year-to-date sales slipped from 4% to 3% ahead of a year ago.

Pres. Mark W. Cresap Jr. said the profit drop in the September quarter is "accounted for by reduced sales volume & prices of consumer products and by a general easing of prices for other products."

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 20, 1960  
Electronics TV-Radios-Appliances Amusements

*The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.*

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	22	24 1/2	Magnetics Inc.	9 1/4	10 1/2
Aerovox	7 1/2	8 3/8	Maxson (W.L.)	7 7/8	8 3/4
Allied Radio	22 1/4	24 1/2	Meredith Pub.	44	47 1/2
Astron Corp.	2	2 1/2	Metropolitan Bctgs.	17 1/2	19 1/2
Baird Atomic	23 1/4	25 1/2	Milgo Electronics	16	17 1/2
British Industries	15 1/4	16 3/4	Narda Microwave	5	5 1/2
CGS Labs	9	10 1/2	Nuclear of Chicago	32 1/2	34 1/2
Cetron	6	6 7/8	Official Films	2	2 1/2
Control Data Corp.	42 1/2	45 3/8	Pacific Automation	5 1/2	6 1/2
Cook Elec.	14 1/2	15 3/4	Pacific Mercury	7	7 1/2
Craig Systems	14 1/2	16 1/2	Perkin-Elmer	39 1/4	42
Dictaphone	31 1/2	35 1/2	Philips Lamp	162 1/2	168 1/2
Digitronics	20 1/4	22 1/2	Pyramid Electric	2 3/4	3 3/16
Eastern Ind.	11 1/2	12 3/4	Radiation Inc.	21	23
Eitel-McCullough	20	21 1/2	Howard W. Sams	37	40 1/2
Elco Corp.	16 1/2	18 1/2	Sanders Associates	25 1/2	27 1/2
Electro Instruments	23 1/2	26 1/2	Silicon Transistor	5 1/2	6 1/2
Electro Voice	10	11 1/2	Soroban Engineering	28	30%
Electronic Associates	26 1/2	28 1/2	Soundscriber	12	13 1/2
Erie Resistor	8 1/2	9 3/8	Speer Carbon	20	21 1/2
Executive	27	30 3/8	Sprague Electric	46	49 1/2
Farrington Mfg.	30 1/2	33	Sterling TV	1 1/2	1 1/2
Fischer & Porter	15 3/4	17 1/2	Tel Bctgs.	12 1/2	13 1/2
FXR	41 1/2	45 1/2	Taylor Instrument	35	38 1/4
General Devices	11 1/2	12 1/2	Technology Inst.	9	10
G-L Electronics	7 1/2	8 1/2	Tele-Broadcasters	3 1/2	3 1/2
Granco Products	3 1/2	4 1/4	Telechrome	11 1/2	12 1/2
Haydu	3/4	5/16	Telecomputing	6 1/2	7 1/2
Hewlett-Packard	21 1/2	23 1/2	Telemeter	10 1/2	11 1/2
High Voltage Eng.	142	152	Time Inc.	59 1/2	63
Infrared Industries	17 1/2	19 1/2	Tracerlab	8 1/2	10
International Rectifier	21 1/2	23	United Artists	6 1/2	7 1/2
Interstate Engineering	21 1/2	23 1/2	United Control	22	24 1/2
Itek	50	54 1/2	Universal Trans.	1 1/2	1 1/2
Jerrold	7 1/2	8 3/8	Vitro	11 1/2	12 1/2
Lab for Electronics	36 1/2	39 5/8	Vocaline	2 1/2	3 1/16
Lel Inc.	5	5 1/2	Wells-Gardner	15 1/2	16 1/2
LFE Inc.	11 1/2	—	Wometco Ent.	12	13 1/2
Magna Theater	2 1/2	3 1/2			

Reports & comments available: Standard Kollsman Industries, report, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • Electronics Research Associates, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • Lionel Corp., prospectus, Granberry, Marache & Co., 67 Wall St., N.Y. 5.

GT&E expects its 1960 profit to increase to approximately \$74 million from \$72,253,000 in 1959. Addressing the Kansas City Society of Financial Analysts, Chmn. Donald C. Power said revenues this year would rise about 6.5% to around \$1.15 billion—including some \$440 million Sylvania sales.

Metropolitan Bctgs. Corp. expects its earnings to increase to \$1.25 a share this year, up from 91¢ in 1959. Chmn.-Pres. John W. Kluge believes 1960 sales will total \$50 million. First 9 months' volume topped \$30 million.

Columbia Pictures is offering employes 68,352 shares of common at \$20 per share. The offer closes Nov. 4.

Collins Radio common stock trading on Boston & Philadelphia-Baltimore exchanges on an unlisted basis has been approved by SEC.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Cetron Electronic	Stk.	25%	Nov. 15	Nov. 1
Electronic Investment	—	\$0.03	Nov. 30	Nov. 1
Oak Mfg.	Q	.25	Dec. 15	Dec. 1
Taft Bctgs.	Q	.10	Dec. 14	Nov. 15
Thompson Ramo Woold.	Q	.35	Dec. 15	Nov. 30
Wometco "A"	Q	.17 1/2	Dec. 15	Dec. 1
Wometco "B"	Q	.06 1/2	Dec. 15	Dec. 1

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1960—9 mo. to Sep. 30	\$ 45,682,420	\$ 4,799,017	\$ 2,307,017	\$1.96	1,179,599
	1959—9 mo. to Sep. 30	41,750,024	4,238,389	2,075,389	1.77	1,171,794
	1960—qtr. to Sep. 30	14,278,615	1,463,760	708,760	.60	1,179,599
	1959—qtr. to Sep. 30	13,697,012	1,307,101	711,101	.60	1,171,794
Burroughs	1960—9 mo. to Sep. 30	287,320,000	—	6,198,000	.93	—
	1959—9 mo. to Sep. 30	256,203,000	—	5,312,000	.80	—
	1960—qtr. to Sep. 30	85,819,000	—	1,154,000	.17	—
	1959—qtr. to Sep. 30	88,404,000	—	2,104,000	.32	—
Daystrom	1960—6 mo. to Sep. 30	44,576,000	1,610,000	873,000	.70 <sup>10</sup>	1,254,349
	1959—6 mo. to Sep. 30	41,350,000	1,625,000	802,000	.64 <sup>10</sup>	914,013
	1960—qtr. to Sep. 30	22,119,000	—	528,000	.43 <sup>10</sup>	1,254,349
	1959—qtr. to Sep. 30..	20,111,000	—	440,000	.35 <sup>10</sup>	914,013
Fairchild Camera & Instrument	1960—9 mo. to Sep. 30 <sup>1</sup>	49,468,000	—	2,918,000	2.39 <sup>3</sup>	1,219,206
	1959—9 mo. to Sep. 30 <sup>2</sup>	30,386,000	—	1,375,000	1.13 <sup>3</sup>	991,438
	1960—qtr. to Sep. 30 <sup>1</sup>	19,183,000	—	1,236,000 <sup>3</sup>	1.01 <sup>3</sup>	1,219,206
	1959—qtr. to Sep. 30 <sup>2</sup>	11,645,000	—	580,000	.48 <sup>3</sup>	991,438
Minneapolis-Honeywell	1960—9 mo. to Sep. 30	312,806,497	39,899,826	18,358,826	2.62	7,006,403
	1959—9 mo. to Sep. 30	273,802,961	46,310,657	20,780,657	2.97	6,994,853
	1960—qtr. to Sep. 30	107,066,497	13,945,560	6,374,560	.91	7,006,403
	1959—qtr. to Sep. 30	98,151,670	19,010,961	8,494,961	1.21	6,994,853
Raytheon	1960—9 mo. to Sep. 30	402,830,000	—	6,139,000 <sup>5</sup>	1.58 <sup>4</sup>	3,725,411
	1959—9 mo. to Sep. 30	345,764,000	—	7,674,000	2.16 <sup>4</sup>	3,513,237
	1960—qtr. to Sep. 30	125,266,000	—	1,952,000 <sup>5</sup>	.50 <sup>4</sup>	3,725,411
	1959—qtr. to Sep. 30	110,601,000	—	2,562,000	.71 <sup>4</sup>	3,513,237
RCA Story on p. 19.	1960—9 mo. to Sep. 30	1,061,000,000 <sup>6</sup>	46,800,000	24,100,000	1.46	14,882,000 <sup>7</sup>
	1959—9 mo. to Sep. 30	978,200,000	54,300,000	27,300,000	1.80	13,873,000 <sup>7</sup>
	1960—qtr. to Sep. 30	354,000,000	11,400,000	6,000,000	.32	14,882,000 <sup>7</sup>
	1959—qtr. to Sep. 30	344,500,000	15,500,000	7,900,000	.51	13,873,000 <sup>7</sup>
Storer Bctg.	1960—9 mo. to Sep. 30	—	—	3,554,011	1.44	2,474,750
	1959—9 mo. to Sep. 30	—	—	3,580,268 <sup>8</sup>	1.45	2,474,750
	1960—qtr. to Sep. 30	—	—	733,072	.30	2,474,750
	1959—qtr. to Sep. 30	—	—	865,719	.35	2,474,750
Taft Bctg.	1960—6 mo. to Sep. 30	5,350,221	—	622,488	.42	—
	1959—6 mo. to Sep. 30	4,725,704	—	643,380	.43	—
	1960—qtr. to Sep. 30	2,475,346	—	192,716	.13	—
	1959—qtr. to Sep. 30	2,226,940	—	281,290	.19	—
Westinghouse Story on p. 19.	1960—9 mo. to Sep. 30	1,457,233,000	115,780,000	60,680,000	1.71 <sup>4</sup>	34,791,367
	1959—9 mo. to Sep. 30	1,408,393,000	110,825,000	56,225,000	1.59 <sup>4</sup>	34,631,462 <sup>9</sup>
	1960—qtr. to Sep. 30	503,289,000	41,826,000	20,226,000	.57 <sup>4</sup>	34,791,367
	1959—qtr. to Sep. 30	494,189,000	44,875,000	22,075,000	.63 <sup>4</sup>	34,631,462 <sup>9</sup>

**Notes:** <sup>1</sup> Includes operations of Allen B. Du Mont Labs from July 5, 1960. <sup>2</sup> Adjusted to include operations of Fairchild Semiconductor Corp. <sup>3</sup> Based on 1,219,206 shares outstanding Sep. 30, 1960. <sup>4</sup> After preferred dividends. <sup>5</sup> Excludes special profit of \$5,040,000 (\$1.35 a share) from European production of Raytheon-developed Hawk missile. <sup>6</sup> Record. <sup>7</sup> Average. <sup>8</sup> Includes \$581,853 profit from sale of radio WAGA Atlanta. <sup>9</sup> Adjusted for Feb. 1960 2-for-1 split. <sup>10</sup> Based on 1,254,349 shares outstanding Sep. 30, 1960.

Selkirk Holdings Ltd., Edmonton, Canada concern which acquired the TV-radio interests of Taylor, Pearson and Carson (Canada) Ltd. in August 1959, reports a net profit of \$142,820 for its first fiscal year ended June 30. Selkirk's TV-radio holdings: 100% of Lethbridge Bctg., which operates radio CJOC Lethbridge and owns 50% of Lethbridge TV, operator of CJLH-TV; 40% of Edmonton Bctg. (radio CJCA Edmonton); 40% of Calgary Bctg. (radio CFAC Calgary); 38% of Northern Bctg. (radio CFGP Grande Prairie); 13.33% of Calgary TV (CHCT-TV Calgary); 27.6% of Wentworth Radio Bctg., which operates radio CKOC Hamilton and owns 25% of Niagara TV, operator of CHCH-TV Hamilton; 49% of Edmonton Video, unsuccessful applicant for TV in Edmonton. Selkirk Pres. H. E. Pearson reports the company is carrying on negotiations to expand holdings in broadcasting and other fields.

MPO Videotronics is now listed for trading on the American Stock Exchange. Symbol: MPO.A.

Itek, parent of Hermes Electronics, scored record sales & earnings in its 1960 fiscal year ended Sept. 30. Pres. Richard S. Leghorn estimated a net of more than \$900,000 (about 85¢ a share on 1,104,000 shares) on sales of close to \$35 million. This compares with fiscal-1959's profit of 57¢ a share (838,205 shares) on sales of \$25 million. For fiscal 1961, Leghorn forecasts sales of \$45-to-50 million and another 50% increase in per-share earnings. Itek's business last year was 60% commercial, 40% military. The company is aiming to reduce the military portion to less than one-third of total volume.

Electronic & Missile Facilities Inc., 2 Lafayette St., N.Y., has filed a registration statement with SEC (File 2-17089), proposing to offer 260,000 common shares publicly through underwriters headed by Hardy & Co.—price & terms to be specified later. There are 260,000 shares outstanding, owned 50% each by Pres. Arnold H. Kagan & exec. vp Nathan Cohen.

# 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

### Auxiliary Services

**PAY-TV HOPES & FEARS** explored in week-long hearing, with FCC go-ahead still in the works (pp. 1 & 4).

**AFTRA's NEW PAY-TV SCALES**, worked out with Telemeter, call for 150% of commercial network scales plus 5% slice of producer's gross for actors, plus free TV & overseas payments (p. 2).

### Stations

**NAB FAILS TO CALL OFF "WATCHDOG"** demands by Sen. Yarborough (D-Tex.) that all stations report all equal-time beefs to his Sec. 315 investigating unit p. (3).

**MAGNUSON SOOTHES BROADCASTERS** with assurances that Congress wants to make things simpler—not tougher (p. 10).

### Film & Tape

**MCA CHALLENGES FCC TV-QUIZ RULES:** Court test of Commission rules is planned as result of Hollywood hearings. Plug specialists also refuse to talk. (pp. 3 & 7).

**FILM PLUGOLA BANS ANALYZED** for Hollywood TV producers by lawyers in opinion on Harris-Pastore Act (p. 8).

**POST-1948 PRICING MAY BE HIGH**, but distributors of new-movie packages report that station buyers in a number of markets are picking them up (p. 9).

**THE 3 PRICES OF FILM:** Hollywood TV film-makers, have a wide choice of budgets, depending on amount of quality wanted (p. 9).

### Advertising

**SCIENCE FICTION ON TV** is deplored by FTC's Kintner, who warns agencies that commercials citing "independent tests" must be based on fact, not fancy (p. 5).

**TV & RADIO LEAD IN AUGUST** with largest percentages of gain over August 1959, among major media (p. 7).

### Consumer Electronics

**FM STEREO DELAYS** possible, as FCC receives NSRC field-test data. No system shows up superior in all respects. Report casts doubt on stereo-mono "compatibility" (pp. 15 & 18).

**TV-RADIO EXPORTS & IMPORTS** both down in July from June. More than 12,000 TV sets & chassis exported in July, 380,661 transistor radios imported (p. 17).

**JAPANESE PRODUCTION STAYS UP**, reaching \$565 million in first 1960 half—40% higher than in first 6 months last year, but leveling off from first quarter (p. 17).

**LABOR NEWS:** GE & IUE agree on new 3-year pact, ending 3-week strike. Westinghouse signs new contract with UE (p. 18).

### FCC

**FORD REVIEWS THAT NEW LAW**, cautioning Washington communications lawyers that full impact of Harris-Pastore Act isn't felt yet, and many problems lie ahead (p. 12).

**AGENCY "INFORMALITY" URGED** by Judge Prettyman, who heads White House study of agency problems. Some regulatory procedures are "too technical," he says (p. 12).

### Programming

**FIRST NIELSENS OF NEW PROGRAM SEASON** reveal that few newcomers have made it into top average-audience ranks, and most were helped by being adjacent to popular veterans (p. 13).

**BBC's BEACHHEAD IN U.S. PROGRAM MARKET** has been scored with 15-program series of Shakespeare dramas bought by Metropolitan Bctg. Corp. and ETV stations. More on the way (p. 13).

### Other Departments

**TECHNOLOGY** (p. 12). **NETWORKS** (p. 14). **PERSONALS** (p. 14) **FINANCE** (p. 19).

**PAY-TV HOPES & FEARS:** Scarcely anyone doubted—either before or after last week's hearing—that FCC would give RKO General's Hartford Phonevision Co. a go-ahead to test pay TV on its WHCT Hartford. However, theater owners' counsel Marcus Cohn managed to achieve certain degree of success in dousing project with enough cold water of skepticism to guarantee a slower takeoff than might otherwise have been possible.

It will take 6 months or so to clear legal "due process" underbrush so that RKO & Zenith may actually move. But attorneys say that it would have taken 1-to-2 years if case had been handled conventionally by an examiner instead of FCC en banc.

Hearing was primarily a duel of Cohn vs. RKO General Pres. Thomas O'Neil & his counsel E. Theodore Pierson. O'Neil's basic position, frequently successfully maintained, was that the whole business is an experiment and that he didn't & couldn't have the answers Cohn sought. Thus, "I don't know" was the response ending many questions. (For highlights of testimony, see p. 4).

Nonetheless, Cohn managed to expose some gaps in O'Neil's knowledge of project. For example, O'Neil didn't know what Zenith's program-procurement arm, Teco, was doing to get shows for him—or even what "Teco" means (TV Entertainment Co.).

Cohn hit a headline natural when he pointed out that many top boxoffice movies today rely heavily on sexual themes—illicit, licit, homo-, hetero-, amazing, etc.—and he listed such doozies as "Suddenly Last Summer," "From the Terrace," "The Apartment," "Summer Place." O'Neil didn't know much about them but gave assurances that "dirty 4-letter words" and "pornography" wouldn't be telecast.

Cohn also made much of fact that system wouldn't offer color or wide screen, that some pictures have "controversial" themes, that there's problem of refunds for decoder & set breakdowns, that some subscribers might "bootleg" signals or charge for viewing, that subscribers would be distracted by ringing phones & doorbells, that test may violate Paramount anti-trust decree, etc.

If we read Commission's attitude right, it's this: "Mebbe so—but let's find out."

If it were solely up to FCC, we'd predict that test would be well underway by end of 1961. But Congress is the explosive imponderable. Rep. Celler (D-N.Y.), chmn. of Judiciary Committee and long-time toll-TV foe, reminded everyone of that by writing to FCC Chmn. Ford last week, urging him to pass buck to Congress. He said many Congressmen oppose tests which offer "gravest danger" of causing "total destruction of free TV."

You'll recall that Rep. Harris (D-Ark.), chmn. of Commerce Committee, once snatched ball from Commission and last year virtually dictated terms of tests—which at that time were considered so stringent that it was doubted anyone would apply (Vol. 15:13 p1). (Matter of fact, over-all tone of presentations by O'Neil and his associates last week was one of restraint, scarcely the zing of real zealots.)

Harris has indicated he's resigned to a test—but there are a lot of committees in Congress, and a lot more anti-pay-TV constituents with influence than there are powerful pro-pay-TV forces. FCC, regardless of its composition & leadership, always accords Congress considerable deference—frequently delaying decisions pending Congressional hearings. Furthermore, who has the ear of next President?

• • • •

Ford vowed hearing wouldn't run beyond a week, held a night session Oct. 27 to guarantee it. He became irked at long arguments among counsel, impatient at times with "irrelevant" questions by Cohn & Commission's own counsel Louis Stephens.

Audience numbered 70-80 at start, dropped to 30-40 hard-core observers and dozen reporters.

Commissioners asked relatively few questions, leaving impression on many that they believed hearing was necessary only for legal reasons and to "make a record" for their own protection.

Theater owners never did offer witness of their own. Prospective witness Arthur L. Mayer (Vol. 16:43 p3) listened to proceedings for a while, finally told us he couldn't hang around indefinitely, left. Incidentally, he said he doesn't go along with Hollywood's sex binge, wouldn't want his granddaughter to see much of its "product." "Others go along with me," he said. "Willie Wyler, who made 'Ben-Hur,' told me he wouldn't want his grandchildren to see the picture."

**AFTRA'S NEW PAY-TV SCALES:** Precedent-setting pay-TV contract covering performance by AFTRA talent in taped or live pay-TV specials has been drafted by the union and International Telemeter.

Contract represents significant AFTRA victory for TV talent. Under new deal, actors will not only be paid for their work but are in for "a piece of the action" at the pay-TV box office.

Details of AFTRA-Telemeter contract: Talent will be paid 150% of minimum applicable network commercial (not sustaining) rate, with that extra 50% credited toward pay-TV reruns. Also 5% of producer's gross will go to AFTRA pool for performers for an unlimited number of years.

There's even a free-TV angle to the deal. If a Telemeter pay-TV tape production finds its way into free TV subsequently as a special, actors will be paid 100% of regular network scale. And AFTRA's current international rates will cover any foreign free-TV telecasts.

New scale will apply to several projects in the works at Telemeter. Among them: A tape of the N.Y. City Center production of Gilbert & Sullivan's "The Mikado" and "several" Broadway musicals. Telemeter has already taped, in N.Y., a production of Gian-Carlo Menotti's opera, "The Consul," under a provisional AFTRA-Telemeter agreement (Vol. 16:20 p4) which will now be replaced by the new contract. (For report on AFTRA-network negotiations, see p. 14.)

**NAB FAILS TO CALL OFF 'WATCHDOG':** NAB got almost nowhere last week with its outraged protests against the demands by Sen. Yarborough (D-Tex.) that all TV & radio stations submit any & all political-discrimination complaints to his equal-time investigators (Vol. 16:43 p3).

Only one small concession was won by NAB Policy Committee Chmn. Clair R. McCollough in dispute with Senate's Sec. 315 "watchdog" unit over extra-added election-year harassment of broadcasters: Stations were advised they needn't keep logs of telephoned beefs if they weren't already doing so.

Otherwise "all oral & written complaints" must be filed within 24 hours if they touch on candidates' requests for equal time or on "requests for availability of time for political spokesmen & parties," McCollough said after marching up to Capitol Hill & down again Oct. 24.

Immediate parley with Yarborough himself on "clarification" of demands on stations had been sought by McCollough. But Yarborough stayed in Texas, making campaign speeches. Accompanied by squad of available NAB staffers, McCollough met instead in Yarborough's Washington offices with majority counsel Creekmore Fath of Commerce Freedom of Communications Subcommittee.

Failure of NAB mission was reported in advisory messages to members who had been saddled with unexpected end-of-campaign paper work. "We assured Mr. Fath that the industry was most anxious to cooperate, and that he would find little, if any, evidence of industry discrimination," McCollough said.

Fact that FCC already had required equal-time reports from all licensees was pointed out to Fath at conference in Suite 460 of Old Senate Office Bldg. But "watchdog" unit's chief investigator was unimpressed by argument that Chmn. Yarborough's demands on stations constituted uncalled-for duplication. McCollough reported: "While some of this information comes within the scope of the FCC questionnaire issued last August, Mr. Fath said that he was interested in receiving this information now so that any irregularities can be corrected before Election Day."

Stations responded with alacrity to word that Yarborough's "watchdog" force hadn't retreated. Up until then, there had been little business for Fath & his tiny staff. They were soon given overtime loads of it. By last week's end—barely 2 weeks ahead of election week—they were snowed under by reports of equal-time complaints (trivial or not) from TV & radio managements.

"I've got a stack here 5 feet high," Fath told us. "The response is tremendous." He hadn't had time yet to go through all of his suddenly piled-up mail—or to decide on which reports might be worth pursuing in last-minute attempts to bring misbehaving stations in line with Sec. 315. But Fath insisted he already had seen enough to indicate that "there are some major complaints about fairness and some major complaints about availability."

More than 100 reports from stations came in Oct. 28 alone, Fath said, adding: "They range all over, and some of them present a variety of situations which nobody had anticipated." Among those baffling Fath: Case of TV sportscaster who didn't give political counsel along with scores of football games, but did wear huge campaign button to help viewers decide how to vote for President. Case of station which editorialized on campaign issues and dutifully offered series of 50 one-min. spots to local political committee for opposing views—but under conditions so rigid that locals couldn't get help from state party leaders in preparing spots.

Fath said he was working closely with FCC on "major" complaints. As for others, he was busy sending out telegrams and putting in telephone calls to stations. And he was able to report at end of week that 2 complaints had been settled easily. "Everyone seems to be anxious to clean it up," he said.

**MCA TO CHALLENGE FCC IN COURT:** Music Corporation of America, facing court action by FCC following the refusal of Taft Schreiber to testify at the Commission's TV-film hearing, plans to make its own court challenge of the Commission's position. A long-drawn-out court fight is in prospect.

In Washington last week counsel for the MCA vp (and Revue Studios pres.) filed a protest with FCC against conduct by examiner James D. Cunningham in the heated exchange which preceded Schreiber's walkout from the Hollywood hearing a week earlier (Vol. 16:43 p2).

Asking for a review of the circumstances of the hearing hassle, the FCC petition argued that Schreiber & MCA attorney Allen Susman acted within their rights under the 1946 Administrative Procedure Act, and that Cunningham should be told what the law means.

Moreover, petition said, FCC has no jurisdiction over TV production & agency companies, and Cunningham had no authority to demand "trade secrets" involved in series which MCA represents as packager & sales agent. The petition repeated, however, that MCA will supply information asked by Cunningham on a "confidential" basis.

In Hollywood, Susman outlined the agency's position to us in this manner: "MCA has at no time refused to furnish information to which the FCC is entitled. MCA has requested only that confidential information should be maintained in confidence by the FCC and that MCA not be deprived of the right granted to it under the federal Administrative Procedure Act to be represented & advised by counsel. In my considered judgment, MCA's position is correct."

FCC representatives found their 2-weeks-plus hearing in Hollywood productive, particularly with regard to the subject of network involvement in TV film shows. Highlights of the testimony were the disclosures of deep financial penetration by the networks into show participation, operations of the giant William Morris & MCA talent agencies, and the lack of control by station licensees over the content of filmed shows. This week's hearing featured non-talkative Hollywood plug merchants (see p. 7).

## Auxiliary Services

### More about

**PAY-TV PLANS & PORTENTS:** "Flexibility" & "experiment" were the key words in RKO General Pres. Thomas O'Neil's testimony during last week's hearing on his Hartford Phonevision Co.'s plans for a test of pay TV through WHCT (Ch. 18) Hartford. But "deception" & "uncertainty" were the labels his theater-exhibitor opponents—represented by Washington lawyer Marcus Cohn—sought to pin on him (see p. 1).

Here are the highlights of O'Neil's presentation, including newly-elicited material & recapitulating data presented in his original application to the FCC (Vol. 16:26 p2):

¶ Test would be for 3 years, Hartford only.

¶ Maximum of 50,000 decoder-equipped homes is contemplated, out of 600,000 TV homes in the service area.

¶ Loss of at least \$1 million is expected in the test.

¶ Subscribers would be charged maximum of \$10 for decoder installation.

¶ Price per program would be 25¢ to \$3.50, with movies running 75¢ to \$1.50.

¶ If each home buys \$2.50 worth of programs weekly, the system will be successful.

¶ Station would carry 40 hours of pay programs weekly, plus 30 hours of conventional free fare.

¶ Most pay programs would be feature films of "box-office" caliber.

¶ No shows now on TV would be used.

¶ Station wouldn't bid for anything that regular TV would want & could afford. The reason is "selfish": "We don't want to alienate the people of Hartford by depriving them of what they could get free."

¶ Movies would run 7-to-11 nightly and be shown twice a night, subscriber getting both for a single payment. There would be 3 changes weekly.

¶ Other pay fare would include legitimate plays, opera, ballet, sports not available on free TV, symphony, 6 hours of educational programs weekly.

¶ The only free programs WHCT would eliminate, of the type not available on other area stations, are *Harness Racing, Piano Pops & Open End*.

¶ If WHCT doesn't make a success of pay TV, it will cease operating rather than continue losses. The station was bought for pay TV only.

¶ Decoders won't handle color.

¶ Zenith says it can install 1,000 decoders weekly.

¶ Subscribers may or may not be charged up to 75¢ weekly for maintenance of the decoder. If they are so charged, decoders will be left in homes even if subscribers buy no programs.

¶ Both RKO and Zenith-affiliated Teco will seek program fare, and there is reasonable assurance that first-run movies will be available, based on RKO's discussions with major producers. Teco will supply movies to other TV organizations, such as closed-circuit operators. Teco doesn't plan program production but may decide to enter the field.

¶ Decoders will be installed anywhere the signal is strong enough. No discrimination in subscriber selection will be practiced.

¶ Decoders are being supplied by Zenith on the basis of a "direct cost" plus 12½% for "indirect costs."

¶ RKO believes that no aid & comfort would be given to its opponents if it made public the number of subscribers it obtained, revenues per program & the number of programs bought by customers each week. It wouldn't want to disclose its losses, terms with program suppliers and a breakdown between its pay-TV & its regular operations—at least initially.

¶ No special-for-TV movie fare is contemplated.

¶ Movies "probably would not be cut" for pay TV, but no "4-letter words" or "pornography" would be presented. In legitimate plays, producers would eliminate such material or the plays wouldn't be accepted. "We would observe our obligations as a licensee."

¶ "A certain amount of product" would be offered for minority groups, including opera & symphony.

¶ "First nighter" legitimate premieres would be offered live, if possible, otherwise taped or filmed.

¶ "We're not interested in TV spectaculars, such as 'The Debbie Reynolds Show.'"

¶ There are no plans for basketball, golf, tennis or horse racing.

¶ If "controversial" movies or plays are presented, "I'd have to consult my counsel" before deciding whether material with a conflicting view must be offered.

¶ "We wouldn't even want to look at" any movies not cleared by "the Hays Office."

¶ The station is not an NAB member.

¶ If the decoder broke down, the subscriber would be given his money back. If the set broke down, there would be case-by-case "negotiations with the subscriber" to determine whether refund for a program would be made.

¶ RKO would be willing to employ an independent

research outfit, after consulting with FCC, to make a "before & after" survey—although it could not pledge "unlimited" funds for the purpose.

¶ WHCT free-TV promotional spots for pay-TV programs wouldn't be logged "commercial" unless FCC says they should be.

¶ TV opera isn't as good as regular opera.

NAB's offering, through TV vp Charles Tower, was fairly brief and not particularly exciting, principally because this kind of hearing prohibits wide-ranging presentations of opinion, argument, predictions, etc. Tower asserted that if pay TV reduces the supply of programs & talent to free TV, audience & revenues will drop. If the drop is 15-20% in prime time, he said, there would be "a very measurable impact."

FCC counsel Louis Stephens said Tower's testimony was "of limited value." Chmn. Ford said that the Commission heard the testimony and would give it whatever weight it thought it should have.

Zenith Pres. Joseph Wright, onetime asst. gen. counsel of FTC and secy. of former Sen. Wheeler (D-Mont.), testified that Zenith has invested about \$10 million in pay TV, hopes to get it back and make some profit. "We're going to find out within a fairly short time whether this is something the public really wants," he said. It could turn out that "we made a mistake," he added.

Zenith promoter Ted Leitzell was billed as a villain by the opposition. Anti-Phonevision exhibits produced by Cohn included copies of Zenith-inspired brochure, *Hartford Times* ad and column in newspaper bylined by Wright (but ghosted by Leitzell) which promised many pay-TV goodies at negligible cost to viewers. Stephens got a promise from Wright that hereafter all Zenith-written promotion for Hartford Phonevision will be submitted to RKO General for check on "suitability" before it's released. He later got similar assurances from Teco Pres. Pieter van Beek.

Van Beek, who gets 60% of his salary from Zenith, listed contacts he had made with movie & legitimate theater producers, said they were quite interested but that no definite agreements could be made on availability of program material until the pay test was authorized. He said Teco would make programs available to wired pay-TV systems as well as to broadcast systems. He acknowledged that it would make a profit from 2 sources: Sale of programs and revenues from pay-TV franchisers.

Show producer Leland Hayward, consultant to Teco, said he would run these movies on pay TV: "Psycho," "The Apartment" & Ben-Hur." He wouldn't carry "Elmer Gantry," he said—because it's "too dull."

There was a big legal hassle over whether to introduce the Teco-Hayward contract into the record, making it public. Chmn. Ford spent his whole lunch period Oct. 28 in the library, boning up, preparing to rule—but Cohn finally offered the contract with the key terms clipped out, and it went into the record.

Hayward will get "X" dollars plus a choice of one of 3 investment opportunities: A chance to buy 12½% of a projected Teco subsidiary, a Phonevision franchise for a city no larger than "Y" in size, or "some other" pay-TV investment that may arise. His job is to recommend a program schedule and methods of effectuating it.

CATV-microwave application to FCC by CATV operator Mid-Kansas Inc. has been protested by WIBW-TV Topeka on grounds that its program property rights would be infringed by competition in Junction City, Manhattan, "and possibly other locations."

## Advertising

**SCIENCE FICTION ON TV:** Commercials which start out with such bang-bang boasts as "science proves—" or "leading doctors say—" are causing increasing pain at FTC, Chmn. Earl W. Kintner complained last week.

It's high time that sponsors & advertising agency copywriters get a grip on themselves and refrain from flights of science fancy on TV, he told a N.Y. meeting of the Assn. of Consulting Chemists & Chemical Engineers. If they don't, Kintner warned, they're going to find themselves in FTC trouble.

TV claims that "independent tests prove" something or other about a product are being checked with more & more care by skeptical FTC staffers who ask these questions, Kintner said:

"(1) Has the experiment been properly designed?

"(2) Has the experiment been performed correctly?

"(3) Have a significant number of tests been conducted?

"(4) Have the test results been recorded accurately? Are the results internally consistent & coherent?

"(5) Do the test results warrant the conclusion drawn?

"(6) Can the conclusion be expressed in a meaningful, accurate way to consumers who lack scientific training?"

Kintner didn't blame testing labs for all the misrepresentations which he said have been made after an advertiser has been given reports on products. "It has been our experience that the advertising agency often enters the picture at this point," he said. "Members of the agency staff often participate in the statement of conclusions and, in some instances, the agency has simply asked the scientist for his test results, and then proceeded to state the conclusions without consultation."

Some TV demonstrations have "'proved' facts that are demonstrably false," Kintner said, giving some citations:

"For instance, stomach acid will not burn a large gaping hole with charred edges in a cloth napkin.

"Other demonstrations show, in an atmosphere of hushed breathlessness, facts which are true but which are totally irrelevant to the claim of efficacy made for the advertised product.

"A demonstration that a product will remove a residue deposited on a surface does not support a claim of efficacy if a flick of a dry cloth or a swipe of a finger will also remove the residue."

Kintner said that it's "unfortunately" true that "the words 'science' & 'scientists' and pictures of laboratory garb immediately engender a suspension of disbelief" among many TV viewers.

Over-commercialization threatens the TV-radio industry, and stations should "drastically revise their broadcast schedules" to avoid the danger. So warned Young & Rubicam vp William E. Matthews at an Assn. of Broadcast Executives meeting in Dallas Oct. 26. Matthews, dir. of the agency's media relations & planning operations, said "triple spotting at station breaks has become quadruple, and with closing & opening commercials a sequence of 5 or 6 announcements are fired at the audience without explanation or apology." The popular habit of doubling-up shorter announcements, he said, creates "a confused competition for attention, destroying the value of all." FCC rulings and industry codes (such as NAB's) are "evasion too frequently," he charged.

**Sees Sad Future for Newspapers:** Carl E. Lindstrom, former exec. editor of the Hartford (Conn.) *Times*, and professor of journalism at U. of Mich., takes a dim view of the press in *The Fading American Newspaper* (288 pp., \$3.95), published a few days ago by Doubleday. Says he: "Electronic & film transmission of news, even new reproduction methods, are leaving the press behind."

Why? "Most of the ills & failures of modern journalism can be attributed to the fading consciousness of the newspaper function to supply news . . . At a time when newspapers are trying more than ever to please everybody, they are losing acceptance. Publishers do not want to hear that population figures are rising at a much greater rate than circulation."

"The newspaper press," asserts Lindstrom, "has all the attributes of the dinosaur. It is obsolescent in an era when decay is frighteningly quick. It is much too costly and too big for what it does; it eats too much in manpower; it works too little; it is unspeakably ineffectual, laboring at top speed to produce news hours behind electronic journalism."

Broadcasters will find interest in Lindstrom's admonition that "the concern of the newspaper should be more than just to report the styles, manners, tastes, deportment and caprices of mankind. Its function is to help establish real criteria of taste & style; to establish manners; to encourage & keep alive the civic conscience; to create a climate favorable to cultural life. The common man is to be respected, but editors should not accept him as their leader when it is he who needs leadership."

Still another point of interest to all media in Lindstrom's book: "By comparison with other industries, the amount of research done by the newspaper industry is negligible. For an industry that grosses more than \$4 billion a year, such neglect of the principles of self-preservation is to court disaster."

\* \* \* \*

Newspaper ads have "deteriorated" in terms of punch & impact in ad copy, possibly because ad agencies are more concerned with "glamorous" ad media, namely "the golden girl of TV or the full-color gatefold in magazines." This charge was made by Kenyon & Eckhardt exec. committee Chmn. Edwin Cox Oct. 27 to executives gathered in N.Y. for the 2nd Annual Seminar on National Newspaper Advertising, staged by the bureau of advertising of ANPA, with ANA and 4A assistance. Another comment of interest at the meeting—MacManus, John & Adams Pres. Ernest A. Jones, discussing surveys which show reading as a "diminishing art": "What happens to publishing & advertising if generalized reading becomes as esoteric as bird-watching or the ballet?"

■ ■ ■

**Ad People:** Randolph T. McKelvie named senior vp, Young & Rubicam. Miguel H. Martinez former mgr. of Y&R office in Caracas, Venezuela, named vp & mgr., Mexico City office . . . Jack Cantwell, ex-Compton, named Sullivan, Stauffer, Colwell & Bayles vp . . . George L. Vales, ex-NBC, named Leon Burnett program producer . . . Jeanette LeBrecht named vp-chief media buyer, Grant Advertising.

William E. McKeachie retires at the end of this year as pres. of McCann-Marschalk, after 31 years with parent McCann-Erickson Inc.; McCann-Marschalk Chmn. Stuart D. Watson also will serve as pres. . . . Jack K. Carver, ex-Doherty, Clifford, Steers & Shenfield, named associate media dir., Lennen & Newell.

**How the Magazines Are Doing:** Single copy sales of the 169 major magazines dropped 0.9% in the first 6 months of this year as against the first half of last year, reveals the latest *Gallagher Report*. Subscription sales of these publications, however, rose 6.7%—giving the field a total circulation increase of 3.8%. (This compares with last year's increase of 4.2%).

Single copy sales are now 34.6% of all magazine circulation, down from the 45.8% of 10 years ago—a significant point for those who consider single-copy circulation more desirable than subscription, which lends itself more readily to high-pressure promotion (cut rates, agents, etc.).

Cut-rate subscriptions mounted to the point where they now represent 97.1% of all *Reader's Digest* subscriptions sold in the first 6 months of 1960; 82.6% of *Life's*; 78.6% of *Time's*; 63.8% of *Newsweek's*.

The 10 largest-circulation magazines of the country maintained their status in the first half of 1960, except that *Ladies' Home Journal* took 4th place away from *SatEve-Post* and *McCall's* took 6th from *Look*. The others: *Reader's Digest*, first; *TV Guide*, 2nd; *Life*, 3rd; *Every Woman's Family Circle*, 8th; *Better Homes & Gardens*, 9th; *Good Housekeeping*, 10th.

■ ■ ■

Product-protection hassle arose last week at ABC-TV, with Ralston Purina emerging as the victor. Ralston, sponsor of *Expedition* (Tue. 7-7:30 p.m.), learned that General Foods, a participating sponsor in *Bugs Bunny* (Tue. 7:30-8 p.m.), intended to use an opening commercial featuring Post cereals. Ralston immediately protested, pointing out that ABC's nighttime contracts call for 15-min. leeway on competing products on back-to-back shows. Ralston gave ABC 24 hours to reply; then, when ABC failed to do so, brought in its lawyers and filed a show-cause order in N.Y. Supreme Court. Result: no Post commercials within 15 minutes of *Expedition*—and a new legal precedent to backstop multi-product network advertisers.

Top 11 ad agencies placed 60% of network TV total time billings during the first half 1960, reports a survey by *Advertising Age*. Ted Bates was in first place with 11% of net TV time; J. Walter Thompson (9%) and Young & Rubicam (7%) placed 2nd & 3rd. Figure estimates, in an Oct. 24 *Advertising Age* report, showed: Bates, \$37 million gross time billings; JWT, \$29; Y&R, \$23; Dancer-Fitzgerald-Sample, \$21. CBS & ABC share the bulk of the Bates TV spending while JWT sends most of its TV business to NBC. Rest of the top 11: Benton & Bowles, \$20 million; BBDO, \$18; Leo Burnett, \$14; McCann-Erickson, \$12.; Lennen & Newell, \$10; Compton, \$9; W. Esty Co. \$9.

Another client-financed pilot of MGM-TV's proposed *Father of the Bride* telefilm series is due to be made shortly. This time, the show's "angel" will be General Mills, which for approximately \$75,000 will hold rights for the 1961-62 season and have participation in rerun residuals. Cast of the newest *FOTB* pilot (it's based on a 1950 MGM feature which starred Elizabeth Taylor & Spencer Tracy) will be headed by Leon Ames. Two seasons ago, General Foods invested nearly \$100,000 in an *FOTB* pilot starring Jim Backus. General Foods didn't like it, never used it, and MGM was unable to sell a series based on it.

An estimated 550 ad-agency executives last week viewed screenings by KTTV Los Angeles of outstanding film & tape commercials. They were the top selections from more than 1,350 entries submitted at the American TV Commercials Festival & Forum in N.Y. last May.

**TV-Radio Lead In August:** National ad volume rose only 5% in August above the Aug.-1959 level despite solid gains by network radio (39%) & TV (19%), reports *Printers' Ink*. The broadcast-media gains were neutralized by newspapers' 9% decline & magazines' modest 2% rise, the latest index shows.

Year-to-date business slipped slightly from the preceding month's 9% lead (Vol. 16:40 p12) to 8% ahead of 1959's Jan.-Aug. business. All major media showed cumulative gains, led by magazines (13%), network TV (10%), and business papers (8%).

Network radio, buoyed by 3 consecutive & sizable gains over corresponding 1959 months, rose 1% above Jan.-Aug. 1959. This marks the first month since July 1958 that network radio has pulled ahead cumulatively.

With the exception of business papers & outdoor, all major media showed declines in Aug. from July business: network radio, down 11%; network TV & magazines, down 8%; newspapers, off 2%.

Medium	Index		% Change from			% Cumulative Change
	Aug.	Aug.	1 month ago	1 year ago		
General Index .....	236	225	- 4	+ 5		+ 8
Total Magazines .....	179	175	- 8	+ 2		+13
Weekly .....	191	194	-14	- 2		+17
Women's .....	144	128	+ 6	+13		+ 9
General Monthly .....	233	220	- 7	+ 6		+11
Farm .....	84	109	- 3	-23		- 5
Newspapers .....	198	218	- 2	- 9		+ 3
Network Television .....	502	422	- 8	+19		+10
Network Radio .....	25	18	-11	+39		+ 1
Business Papers .....	259	232	+ 4	+12		+ 8
Outdoor .....	169	151	+ 2	+12		+ 6
1st Qtr.	1st Qtr.	4th Qtr.	1 year			
'60	'59	'59	ago			
Spot TV* .....	762	672	+ 3	+13		+13

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 1947-1959 except for the TV base, which covers the years 1950-52. Spot TV is not reflected in the general index. \*Spot TV data, although shown monthly, reports the first quarter's activity.

News reps: KMOS-TV Sedalia, Mo. to Gill-Perna Oct. 1 from Bob Dore • KNOP North Platte, Neb. to Gill-Perna Oct. 1 from Bob Dore • KRSD-TV Rapid City, S.D. to Jack Masla Aug. 1 from Meeker.

#### U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WNEW-TV New York ....	\$3000 to \$3600	\$478 to \$600	Sept. 1
KDKA-TV Pittsburgh ....	2400 to 2500	600 to 650	Sept. 11
KSTP-TV St. Paul .....	1650 to 1800	420 to 450	Oct. 1
WBEN-TV Buffalo .....	1250 to 1400	250 to 325	Nov. 1
KHOU-TV Houston .....	1200 to 1300	300 to 350	Oct. 15
KTRK-TV Houston .....	1100 to 1300	300 to 350	Oct. 16
WRGB Schenectady .....	1250 (no change)	250 to 275	
WFBC-TV Greenville, S.C.	650 to 750	135 to 160	Oct. 1
WDEB-TV Roanoke .....	700 (no change)	190 to 200	Sept. 1
KJEO Fresno .....	700 (no change)	175 to 200 <sup>2</sup>	Oct. 1
KTVR Denver .....	500 to 550	100 to 120	Sept. 15
KARK-TV Little Rock ....	500 (no change)	110 to 120	Oct. 1
KTHV Little Rock .....	500 (no change)	110 to 120	Oct. 1
KATV Little Rock .....	450 (no change)	100 to 120	Oct. 1
WJBF Augusta, Ga. ....	400 to 450	100 to 120	Nov. 1
KELP-TV El Paso .....	300 to 400	60 to 90	Oct. 1
WTOC-TV Savannah, Ga.	300 to 350	60 (no change)	Sept. 1
WINK-TV Fort Myers ....	165 to 200	36 to 48	Nov. 1
WICD <sup>3</sup> Danville, Ill. ....	150 to 175	25 to 39.40	Oct. 1

<sup>1</sup>Not reported. <sup>2</sup>Min. only, 20 sec. remains \$175. <sup>3</sup>Formerly WDAN-TV.

#### Foreign

No TV representatives were named to Britain's 12-member Pilkington Committee (Vol. 16:34 p13) which has been established by the Postmaster General to chart the future of English TV & radio. The Committee, headed by industrialist Sir Harry Pilkington, will study & make recommendations on such new broadcast services as pay TV, closed-circuit, a 3rd channel.

## Film & Tape

### More about

**PLUG SPECIALISTS WON'T TALK EITHER:** Hollywood specialists in the art of the sneak plug refused last week to testify before the FCC hearing on various aspects of the TV-film industry. Their refusal, on advice of counsel, followed denial of a motion to quash their subpoenas. The FCC will seek U.S. district court action to require them to testify.

Oliver B. Schwab, representing all those who declined to testify, told hearing examiner James D. Cunningham he planned to appeal the examiner's denial of his motion. He requested a stipulation that his clients be allowed to take the stand & then refuse to testify, on his advice.

Schwab's clients were Dick Fishell of Dick Fishell and Associates, Betty Langley and Mary Rothschild. Not served because they were out of town or hadn't yet been located by the U.S. marshal: Fred Kline of the Fred Kline Agency, Carol Prince, Jimmy Cross, Donna Rappa, Stan Lawrence and Vici Raaf. Cunningham instructed FCC counsel Ashbrook Bryant to make certain that subpoenas were served on the missing persons.

Schwab based his motion for quashing the subpoenas on the grounds that (1) the information sought was confidential & beyond the scope of the FCC hearing; (2) his clients were in the public relations business, not in broadcasting; (3) ground rules of the hearing deprived his clients of counsel—which was not due process of law. (While the hearing allowed counsel to advise & consult with their clients when the latter were on the witness stand, the attorneys were not permitted to speak for them.) This, said Schwab, is not Russia, but a democracy, and a hearing should be conducted democratically. He also mentioned the cost to the taxpayers.

### Reply by FCC Attorney

FCC attorney Ashbrook replied that although Schwab contended that the client lists being sought were confidential, the *Wall St. Journal* last year had carried a list of 93 Fischell clients in an article about plug specialists. Moreover, he pointed out, Adolphe Wenland had previously testified freely regarding this field.

He described Schwab as "uninformed" in having said the Administration Procedure Act requires participation by an attorney in such hearings. The procedure followed, asserted Bryant, was identical with that followed by all Government agencies & Congress, and it had been upheld in the courts.

He added that those involved were paid to insert promotional material in broadcast programs, and consequently were suitable subjects for FCC scrutiny. "The FCC doesn't have & doesn't want the right to censor, but it does want to know where the responsibility lies for decisions on all broadcast matter," he said. Sec. 317, he pointed out, requires disclosure of all plugs on shows, and FCC cannot write rules & regulations for this section without first conducting hearings to determine industry practices.

On the following day (Tue.), Cunningham denied the motion to quash, holding that: (1) the scope of non-judicatory hearings is broad, and the FCC intends to obtain all facts & matter pertaining "even remotely" to promotion & publicity used in broadcasting ("on the basis of the witnesses' testimonies & documents, the FCC will be in a position to determine whether to adopt new rules or seek additional legislation"); (2) the records would be wholly de-

ficient without the requested data; and (3) "there is no doubt in my mind of the validity of the ground rules, nor has any witness been deprived of advice of counsel."

Cunningham mentioned the refusal of MCA vp Taft Schreiber to testify on the grounds that he was deprived of counsel. "Sooner or later," commented the examiner, "Schreiber will appear and his testimony made a part of the record." He also told Schwab he did not agree that the data sought was of a confidential nature.

The hearing was wrapped up with Bryant expressing his appreciation to those witnesses & companies that had voluntarily appeared and given detailed information. Such cooperation, said Bryant, "was uniform until recently"—an obvious allusion to the refusal of Schreiber (see p. 3) and the plug specialists to testify. TV film "is a highly complex operation & function in our society . . . Our hope is that this joint venture between the government & industry has resulted in a record which will be of material assistance to the FCC & Congress in their efforts to create a fair & equitable pattern for the industry," he concluded.

Cunningham said he would prepare a memorandum & opinion regarding Schreiber & MCA, proposing that the Commission institute court proceedings aimed at compliance with Commission requests that the executive testify. Despite Schreiber's refusal to give the FCC a list of packages represented by MCA, the FCC attorneys later read into the record a list of 17 MCA packages obtained from the networks. They were *The Adventures of Ozzie & Harriet*, *Take A Good Look, Leave It to Beaver, My 3 Sons*, all ABC-TV; *The Ed Sullivan Show, Bringing Up Buddy, Checkmate*, all CBS-TV; *Riverboat, Wells Fargo, Wagon Train, This Is Your Life, Laramie, Alfred Hitchcock Presents, Thriller, The Deputy, The Tall Man, Bachelor Father*, all NBC-TV.

An interested observer in the closing days of the hearing was Nicholas Zapple, communications counsel for Sen. Magnuson's (D-Wash.) Interstate & Foreign Commerce Committee. He obtained a record of the proceedings for reporting back to the Senate committee.

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Production in N.Y., a touchy point with Eastern producers & TV critics since the bulk of shows moved to the coast, got another boost last week with CBS-TV ordering full scale N.Y. production of two 60-min. shows. Twenty-six 60-min. film episodes of *Defender* and an indeterminate number of 60-min. taped segments of *Diagnosis: Unknown* are scheduled as possible mid-season replacements. *Defender* will be produced by Herbert Brodkin and Reginald Rose, based on Rose's 2-part *Studio One* drama of a few seasons ago. Producer Bob Banner is supervising *Diagnosis: Unknown*. Production dates will be set this week or next.

Ted Granik, who has been conducting a telefilm production romance unsuccessfully with the N.Y. Police Dept. for nearly 5 years, may at last be headed for a TV altar. Last week, Granik, creator of *American Forum of the Air*, announced he planned to film shortly a pilot in N.Y. titled *Green Light 27*. The projected series, evolved in a cooperation-&-advice deal with the Patrolmen's Benevolent Assn., will dramatize "the history of police precincts."

John Crosby, one of TV's best known & severest newspaper critics, just about abandoned the field last week. The N.Y. *Herald Tribune* and its syndicate announced that his 4-times-a-week column would henceforth be devoted to general subjects and not merely TV. He did promise to give further attention to TV when occasion warrants.

**Film Plugola Bans Analyzed:** Worried producers of TV films (and of theatrical movies which may be seen on home screens) have been advised in a 23-page legal opinion that the new Harris-Pastore Act which outlaws payola won't put them out of business.

Following up an FCC-producer conference on the implications of the law (S-1898) for Hollywood (Vol. 16:39 p6), the Washington communications law firm of Haley, Wollenberg & Bader dissected the text, reviewed the legislative history and concluded film makers may stop fretting.

In letters to the Motion Picture Assn. of America & 8 producers (with copies to FCC members as "assistance to the Commission in formulating its initial rulemaking proposals" on payola-plugola interpretations), the lawyers laid out these ground rules:

(1) The Harris-Pastore Act isn't retroactive from its Sept. 13 effective date, so that TV film producers aren't required to make disclosures of prop deals made before.

(2) In any event, the law explicitly covers only films "intended for broadcasting"—not movies produced for theatrical exhibition.

(3) "Such a film does not become 'intended for broadcasting' simply because of a possible eventuality that an attempt may be made to sell the film for broadcasting purposes years after the initial release of the film for theatrical purposes."

(4) "Congress was patently not undertaking to regulate the theatrical motion picture industry or its practices."

(5) "Any prop furnished solely for use on a TV program and not accorded any unusual or special prominence beyond the identification which is normal & appropriate . . . does not create the need for disclosure."

Recipients of the legal advice in addition to the MPAA & FCC were Allied Artists, Columbia Pictures, MGM, Paramount Pictures, 20th Century-Fox, United Artists, Walt Disney Productions and Warner Bros. Appended to the letters were copies of the House Commerce Committee's list of 27 examples of what constitutes (and what doesn't constitute) payola & plugola as forbidden by the law.

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**WGAW Recalls 6 Officers:** Six officials of the TV-radio branch of Writers Guild of America West were ousted last week. It was the first recall in the Guild's history. The move climaxed months of internal wrangling within the Guild—it's negotiating committee & most of the membership vs. 7 TV-radio board members & a minority of writers. Recalled were Pres. Kay Leonard, vp Joel Kane, Sterling Silliphant, Richard Collins, Stanley Niss and Fran Van Hartesveldt.

Sole survivor of the campaign to eject board members is Phil Leslie, who remains on the board as secy.-treas. With him are Hy Freedman, Fenton Earnshaw, David Harmon and Nate Monaster. The board members will appoint 3 more members to constitute a quorum which will then name a nominating committee. This committee will nominate candidates for 3 other board positions, to be filled at a special election.

This was the 4th & conclusive vote between the warring Guild factions. The first 2 had come over Alliance proposals to end the writers' strike against TV, and offers accepted by the board but rejected by the membership. The third came when members overwhelmingly voted that Sam Newman of the negotiating committee should be the WGAW representative on the industry fact-finding committee to determine a royalty percentage for writers, a move rejected by the TV-radio board.

**POST-1948 PRICING (Cont.):** Although many big-city film buyers are keeping their wallets zipped when offered premium-priced packages of post-1948 movies (Vol. 16:42 p14), the sales drives launched by feature distributors on new-movie packages are showing some tangible results.

Lopert Pictures, a United Artists offshoot which specializes in foreign films, beat several of its bigger rivals (Screen Gems, 20th Century-Fox, MGM) to the punch in scoring the season's first major sale of a post-1948 picture for network telecasting. The film is Albert Lamorisse's French-made, Oscar-winning featurette (34 mins.) "The Red Balloon." Trimmed to fit in a 30-min. format, it will be seen later this season as a one-time special on *GE Theatre* (CBS-TV), although probably not in color. According to Lopert Pictures, gen. mgr. Bob Morin signed the deal with BBDO (GE's agency) "within 24 hours after 'The Red Balloon' became available to TV." Other network-level post-1948 deals, meanwhile, remain in the talk stage.

NTA, one of the earliest starters in the current post-1948 sales derby, has scored sales on its 20th Century-Fox package in more than 30 markets so far. According to NTA's figures, the sales are being made at an average rate of more than one market per day since the package was released and at prices "about 50% above normal feature pricing." One of NTA's biggest deals involves the sale of a 180-title group to Corinthian-owned WISH-TV Indianapolis (including 61 post-1948 20th-Fox films) for approximately \$200,000.

A gimmick that has proved a surprise success in selling the package, NTA told us last week, is a 60-min. one-shot show, "Post-1948 Quiz." Based on clips from movie trailers, the show's format calls for the use of local announcer-hosts and involves home-viewer identification of stars & story-lines in the package with winners receiving merchandise prizes. Most stations purchasing NTA's 20th-Fox group, we're told, have requested the use of the special, originally air-tested on WNTA-TV N.Y.

Other distributors also report an early round of sales successes in post-1948 selling, primarily with small, hand-picked packages. UAA's 26-title post-1948 package has been bought by stations in 35 markets so far. Programs for TV Inc., currently selling a package of J. Arthur Rank British-made post-1948s, has scored sales in about 15 markets (including N.Y., Los Angeles & Detroit) for a total gross of over \$1 million.

Also past the million mark in sales is Flamingo Films' "festival package" of 30 post-1948 foreign films ("The Last Bridge," "Little World of Don Camillo," etc.) which last week was purchased by WTAE Pittsburgh, Pa. and WCAX-TV Burlington, Vt.

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**People (N.Y.):** Jack Sobel named Screen Gems national sales mgr. . . . Roslyn Karan has been named Trans-Lux coordinator of programming, promotion and merchandising for the Encyclopaedia Britannica Film Library . . . Charles N. Hill, former CBS director of *Person to Person*, has joined NBC to direct *The Nation's Future*, the new Irving Gitlin-produced series of debates on important issues, due Nov. 12 . . . Jean Hendrix, asst. to the gen. mgr. & program dir. of WSB-TV Atlanta, has received CBS Films' trophy for outstanding achievement in creative merchandising and promotion of syndicated programs . . . Gabe Sumner has been appointed United Artists publicity mgr.

**THE 3 PRICES OF FILM:** While \$50,000 is regarded today as the price of an average 30-min. TV film (Vol. 16:40 p20), Hollywood producers operate on a variety of budgets—as high as \$65,000 and as low as \$32,500.

What a film will cost depends on the sponsor's needs—does he want an economy series merely to be on TV, or a high-budget show to link his product with quality? It depends, too, on the market at which the producer is aiming his series. If the film maker is going into the riskier syndication field, it's likely that he'll bring it in at as low a cost as possible, to recoup his investment fast.

For the high-budget (\$65,000) half-hour series, above-the-line costs (talent, story, etc.) always range higher because the advertiser expects a name-actor star, a better-than-average producer, story and cast. A producer & his staff earn about \$2,500 on an average show, but get \$6,500 for the high-budget species. Similarly, the cast averages (about \$11,000) rises to \$18,000. (One reason: An average-budgeter is filmed in 2 days, a high-budgeter in 3.). And story costs (\$2,750) can range up to \$3,500.

At the other extreme, the low-budgeted (\$32,500) series again places the differential in the above-the-line costs—with the figures descending to \$1,500 for producer & staff; \$5,000 for cast; \$1,250 for story.

Sometimes an ambitious story line or production will send costs above even their high-budget limitations. The producing company usually makes this up by turning in subsequent films for less than budget—for, as a rule, the extra cost of an over-budget series must be met by the producer. However, in the high-budget bracket there's little tendency to cut corners. One way to do so without cutting quality is to grant ownership participation to the star, who then works for less salary.

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Four Star Television has begun production on 4 segments of its 60-min ABC-TV series, *The Corruptors*. Leonard Ackerman and John Burrows co-produce. It will also pilot *The Atoner*, which will be shown on the company's *Dick Powell's Zane Grey Theater* series. Four Star has also resumed production of *The Westerner*, starring Brian Keith, following a 3-months hiatus.

Screen Actors Guild's annual election will be held Nov. 21. Three independent candidates Michael Jeffers, Michael Lally, Glenn Taylor have filed for election to the board, challenging candidates nominated by SAG's nominating committee. George Chandler is unopposed for re-election as president.

20th Century-Fox TV will produce a 60-min. pilot (adventure located in Africa) for ABC-TV. William Self is exec. producer. No title or cast as yet.

Robert Horton is back at work as co-star with Ward Bond in Revue Studio's *Wagon Train*, following his walk-out & suspension.

Producer Collier Young has video-taped the first segment of *Crime & Punishment*—at San Quentin prison, with newsman Clete Roberts interviewing inmates.

**People (L.A.):** Sol Baer Fielding named exec. asst. to producer Herbert Leonard on *Route 66* and *Naked City* . . . Harry Sosnik and Bud Yorkin named co-chmn. of 1960-61 Emmy awards production committee for ATAS telecast on NBC-TV next May . . . Desilu Productions has signed writers Bob Weiskopf and Bob Schiller to 3-year contracts as writer-creators.

## Stations

**Magnuson Soothes Broadcasters:** The TV-radio industry hollers too much about federal interference before it's hurt, Senate Commerce Committee Chmn. Magnuson (D-Wash.) told the Seattle chapter of the National Academy of TV Arts & Sciences last week.

"Is govt. control destroying the American broadcasting system?" he was asked in a workshop panel discussion of industry problems at the U. of Wash. Nonsense, Magnuson answered: Congressional investigations & legislation are intended to simplify rather than compound controls.

"Don't worry," Magnuson told his openly skeptical audience of broadcasters. "What we're driving at is to reduce complexities." He added: "No Congressman or Senator that I know is interested in getting into the program field in regulation of the industry."

He was questioned sharply by other NATAS panelists about intentions of the Commerce Freedom of Communications Subcommittee in asking stations for reports on all political equal-time complaints (see p. 3). But Magnuson defended the move as "necessary." He said the "watchdog" unit needs to know how well broadcasters are complying with the Communications Act's Sec. 315, and that he'd already heard of some equal-time incidents.

But Magnuson said broadcasters generally have nothing to fear from a full-scale investigation of slow procedures of FCC & other regulatory agencies which his Committee plans to start early next year (Vol. 16:33 p3).

FCC "is the most complicated commission that ever existed" and is overdue for some streamlining, Magnuson said. He complained that it stalls too often when confronted with controversial issues, acts "emotionally," and runs to Congress for legislation instead of solving its own problems.

Backing up Magnuson on the platform were his committee's communications counsel Nicholas Zapple (see p. 7) and special TV counsel Kenneth Cox. Other panel participants included Max Bic (KTNT-TV Tacoma-Seattle), Otto Brandt (KING-TV Seattle), Lincoln W. Miller (KIRO-TV Seattle), Frank Rosenquist (KOMO-TV Seattle), Washington communications lawyer Andrew G. Haley.

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FCC's 1959 clear-channel AM decision stands, the Court of Appeals ruled last week, rejecting the appeals by Clear Channel Bctg. Service & WSM Nashville. In a short decision, Judges Edgerton, Bazelon & Washington stated: "The gist of petitioners' present complaint is that the Commission's final order is inconsistent with what they claim was the original aim of the proceedings—to reduce the interference suffered by petitioners' Class I stations from the operations of Class II stations—and actually tends to increase such interference. The Commission denies this, saying that petitioners will now have a measure of protection, whereas previously they had none. We think the Commission has the better of the argument. . . . To be sure, the evidence might perhaps have justified some other solution, more favorable to the petitioners. But the interests of Class I stations were weighed by the Commission against those of other classes, and we cannot say, on the record before us, that the result reached was arbitrary, capricious, or an abuse of the Commission's discretion. The solution reached, which the Commission concluded was 'a reasonable balance' between 'permitting excessive interference & imposing prohibitive restrictions on class II stations,' was adequately based on the evidence, and within the broad powers of the Commission."

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**Radio's First Presidential Endorsement:** "History's first radio editorial supporting a candidate for the U.S. Presidency" was claimed by radio WMCA N.Y. last week. In a pair of 10-min. editorials Oct. 26 & 27, that station's Chmn. Nathan Straus endorsed Sen. John F. Kennedy as the Presidential choice of the independent station. "This is an editorial which would have been illegal a decade ago," Straus declared, adding: "WMCA believes that its responsibility to the community includes the obligation to speak out on the most important question of the moment."

"Courageous," "disgusting" and "good job" were among listener telephone reactions. Some listeners threatened to complain to the FCC, not realizing that FCC has encouraged station editorializing.

WMCA took no chances with Sec. 315; it offered Republican candidates Nixon & Lodge equal time if they wanted it. At week's end neither had accepted the offer and WMCA told us it didn't expect they would. The editorials were also aired on WMCA-owned WBNY Buffalo, N.Y.

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Radio in the 1960s will survive TV competition and expand, but stations must start improving variety & depth of their programming, broadcasters at the 4th & 5th NAB fall conferences (Vol. 16:43 p11) were told last week. Special speakers at Oct. 24-25 NAB staff seminars in Denver and Oct. 27-28 sessions in Omaha included radio station executives who put it on the line. Good stations can't be run "with a stack of 40 records, a copy of *Billboard* magazine and a newsprinter," said Thad M. Sandstrom (WIBW Topeka) in Denver. In Omaha, F. Ernest Lackey (WHOP Hopkinsville, Ky.) said: "It is my fond belief that the fast-buck operators will find the going rougher in the decade ahead as good stations tend to expand their services to the listener, while the TNT—time, news, temperature—rock-&-rollers fade from the scene." NAB staffers return to Washington for the 6th conference Nov. 14-15 at the Statler-Hilton Hotel. The 8-conference fall series will wind up in Chicago (Nov 21-22) & N.Y. (Nov. 28-29). Attendance at the conferences so far has been running 15% ahead of 1959. NAB's count of delegates at the first 5 sessions: 1,101.

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KXTV Sacramento continues operation despite a strike by AFTRA & NABET, now entering its 5th week. Owner Corinthian Bctg. Co. states that the strike "is strictly an economic one." It does not contend the strike is illegal, as was erroneously reported last week in these pages. A company spokesman said: "We have lived up to the contract we inherited [from the former owners of the station]. We must be competitively geared to other stations in the area." The strike is an outgrowth of stalemated negotiations for a new contract. The official also stated that the recent resignation of former vp-station mgr. Richard P. Hogue in a "difference of opinion over management policy" had nothing to do with the terms of the station's union contracts. As far as Corinthian is concerned, the management official stated, the contract dispute is still in the hands of govt. conciliators. Violence had flared in the strike when a policeman was injured by a homemade bomb he removed from the automobile of a KXTV employe. A NABET member was questioned by police about the incident, but no charges were filed.

KFSD-TV & KFSD San Diego have been bought by United Artists for about \$7 million, through broker Howard Stark. They're UA's first broadcast acquisitions.

**NEW & UPCOMING STATIONS:** CBUAT (Ch. 11) Trail, B.C. begins test transmissions Nov. 1, preparing to start with full programming Nov. 15 as CBC o&o low-power satellite to CBC's CBUT (Ch. 2) Vancouver. It has a 150-watt Canadian GE transmitter and will be operated as an automatic unattended repeater. It will be included as bonus to CBUT, which has \$680 base hour. New starter brings Canadian operating total to 74 outlets.

Next U.S. starter may be WXTV (Ch. 45) Youngstown, O., which received program test authorization Oct. 21 and plans to begin programming as an independent by Nov. 15.

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

KVOG-TV (Ch. 9) Ogden, Utah received a 5-kw Gates transmitter Sept. 23 and plans to start this Nov. as an independent outlet. Owner is radio KVOG. Studio-transmitter building construction has been completed and 6-bay RCA antenna has been installed on 400-ft. Utility tower. Base hour will be \$325. Rep will be Grant Webb.

KCSD-TV (Ch. 19) Kansas City, Mo. has changed target to Dec. 15 for programming as the non-commercial outlet of School Dist. 19 there, reports J. Glenn Travis, admin. asst. to the school supt. A GE 1-kw transmitter arrived Sept. 27 for installation in City Hall and a GE antenna is being installed on stub tower on top of building. Studios in Board of Education Bldg. are 25% complete.

KCDA (Ch. 3) Douglas, Ariz. has its studio-transmitter building ready for a 250-watt Electron transmitter scheduled for arrival in December when the station plans to begin programming, according to Mike Ling, national sales mgr. of grantee Electron Corp. Rohn 100-ft. tower is scheduled to be ready in November for Alford antenna, which is due in December. Network affiliation hasn't been signed, nor has base hourly rate been set. Rep not chosen.

KIFI-TV (Ch. 8) Idaho Falls, Ida. now has FCC approval for a start with maximum 316-kw ERP. It plans Jan. 1 programming, writes James M. Brady, pres.-gen. mgr. Grantee Eastern Idaho Bcstg. & Television Co. also owns radio KIFI. Work has started on transmitter house at site adjacent to KID-TV on East Butte, and it's scheduled for completion by mid-Nov. GE 28-kw transmitter & antenna are scheduled to arrive Nov. 1 when the 100-ft. tower furnished by Tower Construction Co. is also scheduled to be ready for use. Base hour will be \$275. Rep not chosen.

WIPM-TV (Ch. 3) Mayaguez, P.R. has changed target to December for operation as non-commercial outlet of P.R. Dept. of Education, writes R. Delgado Marquez, gen. mgr. of the Dept.'s other station, WIPR-TV (Ch. 6, educational) San Juan. It has a 6-kw RCA transmitter ready. Antenna won't be installed on the 202-ft. Ideco tower until Nov.

KUSD-TV (Ch. 2, educational) Vermillion, S.D. plans March 1 tests, reports Martin Busch, KUSD radio-TV-film dir., for owner State U. of S.D. It has a 250-watt Sarkes Tarzian transmitter on order and will use a 150-ft. self-supporting tower furnished by Tower Construction Co. It will abandon the closed-circuit system which has been in operation for 3 years, and these studios will be turned over for use by KUSD-TV this spring.

KTXT-TV (Ch. 5) Lubbock, Tex., planned as a non-commercial educational outlet, hasn't set a target date. Its plans are dependent upon legislative action next year, according to R. L. Goodwin, pres. of grantee Texas Technological College.

**CJCH-TV (Ch. 5)** Halifax, N.S. has a 5-kw Canadian GE transmitter scheduled to arrive Nov. 1-15. It plans Jan. 1 programming, writes A. D. Grayston, promotions mgr. for radio CJCH. Construction has begun on both studio building & transmitter house. Construction work on the 600-ft. Wind Turbine tower is scheduled to start Nov. 1. GE antenna is due to arrive Nov. 30. Base hour will be \$300. Reps will be Young, Paul Mulvihill (Montreal & Toronto), A. J. Messner (Winnipeg) and Scharf Bcst. Sales (Vancouver).

**CFTO-TV (Ch. 9)** Toronto has a 50-kw RCA transmitter at a site 13 mi. from downtown and plans Jan. 1 start as a French-language outlet, reports John Bassett, publisher of the *Toronto Telegram*, which holds 51% voting control. Work on guyed 815-ft. Microwave tower is half completed. It will be equipped with color telecasting facilities despite BBG ruling that the country is not ready for color. Base hourly rate will be \$1,150. Rep not chosen.

**CFTM-TV (Ch. 10)** Montreal, Que. has ordered a Marconi 18-kw transmitter for Dec. 1 delivery, plans to program as a French outlet by the end of January, writes station mgr. Roland Giguere for owner Tele-Metropole Corp. (Paul L'Anglais and associates). It will use a temporary 125-ft. tower, and will move next spring to a special installation providing space for all Montreal TV & FM stations. Base hour will be \$1,000. Reps will be Forjoe, Paul L'Anglais Inc., Stovin-Byles.

**CJOH-TV (Ch. 13)** Ottawa, Ont. has an 18-kw Marconi transmitter scheduled for Jan. delivery. It plans March 31 programming, using temporary studio, reports Pres. E. L. Bushnell. Transmitter house, now under construction, is scheduled for completion by Dec. 10. Work on permanent studios began Sept. 19, but they won't be ready until next July. The station will use a 600-ft. Microtower. Base hour will be \$475. Rep will be Stovin-Byles.

FCC hearing begins this week (Mon., Oct. 31) in Los Angeles on the question of who controls KRLA Pasadena—station Pres. Donald Cooke or his brother, Jack, a Canadian. (The law prohibits ownership or control of a U.S. station by non-citizens.) Donald Cooke will also be asked whether an on-the-air contest to identify the voice of disc jockey Perry Allen was constructed with intent to delude the public. The Commission will, in addition, investigate the station's programming and its application for transfer of the frequency from Pacific Best. Corp. (KXLA) to Eleven Ten Bestg. Corp., the present owner. FCC chief hearing examiner James D. Cunningham, who presided over the recent investigation of the TV-film industry (Vol. 16:42 et seq.), will run the KRLA hearings.

Political TV stew, embroiling Canada's BBG & CHEX-TV Peterborough, Ont., cooked to a boil last week amid charges of pressure & favoritism and demands for ouster of BBG Chmn. Dr. Andrew Stewart. Donald Munro, local Liberal candidate, charged that CHEX-TV first rejected film clips of both Liberal & Conservative candidates (on grounds the films infringed on Canada's Broadcasting Act), then, as the result of pressure on BBG by a top Conservative official, accepted only the Conservative Party's films for telecasting. (The Broadcasting Act states "no station shall broadcast in dramatized form any program, advertisement or announcement of a partisan political character.") Socialist CCF Party leader Haze Argue said he'd demand a Parliamentary inquiry when that body convenes Nov. 17.

Metropolitan Bestg. Corp. opens a Phila. office at 12 S. 12th St. (Walnut 5-2828), under vp Benedict Gimbel Jr.

## The FCC

**FORD REVIEWS THAT NEW LAW:** It's too early to tell what impacts this year's Harris-Pastore anti-payola law may have on the broadcasting industry, but it's already apparent that the Communications Act amendments raise as well as resolve TV & radio problems, FCC Chmn. Ford said last week.

"We are in a transition period," he told the Federal Communications Bar Assn. in a Washington luncheon speech reciting "some of the things the Commission is doing to carry out its new responsibilities and some of the problems encountered."

Ford's section-by-section review of the omnibus statute included such points as these:

**On payola & plugola:** There are "a good many ramifications," including the law's application to TV film production (see p. 7), and FCC has a lot of work to do "before rules are finally adopted." Commission may come up ultimately with a Q-&-A guide.

**On quiz rigging:** "It would appear that an effective deterrent now exists for the rigged quiz show, and I would hope that the broadcast industry has seen the last of this kind of 'entertainment.'"

**On forfeiture penalties:** "It is perhaps too early to predict specific situations in which the forfeiture provisions would be invoked. Certainly, no case has come before us in the few weeks the law has been in force which seemed appropriate for the imposition of this sanction."

**On mergers & payoffs:** Definitions of "merger & bona fide merger" and "legitimate & prudent expenditures" raise questions which haven't yet been settled. FCC already is confronted with "somewhat difficult" problems involving agreements for mergers or payments drawn up before the law was enacted.

**On less-than-3-year licenses:** The Commission is "aware that a renewal for less than 3 years might subject the licensee to certain competitive disadvantages, but I am sure that this authority will be used judiciously."

**On pre-grant protests:** "Far-reaching changes in our procedures which [rewritten Sec. 309 of the Communications Act] brings about are not going to be accomplished painlessly, and there may even be a temporary slowing down in the handling of applications as cases of first impression under its provisions are considered."

**On local license hearings:** "We will be more inclined than in the past to designate such proceedings in the area served by the station in question—providing, of course, funds are available."

In short, Ford told the communications lawyers, time will tell: "In terms of specifics, there is little that can be said with certainty at this time about the impact of the new legislation—particularly about those sections which affect most closely the processes of the Commission."

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Experimental station in Saugus, Cal., proposed by Telemeter to test technical aspects of coded signals, has been opposed by KEYT (Ch. 3) Santa Barbara. The proposed station would also operate on Ch. 3, and KEYT stated that it would create interference within its Grade B service area. KEYT claimed that other frequencies could be used, giving all regular stations more protection.

Shift of WRBL-TV Columbus, Ga. from Ch. 4 to Ch. 3 was authorized Oct. 27 when FCC granted program-test authorization for the station to operate on lower channel.

**Agency 'Informality' Urged:** One trouble with federal regulatory agencies—such as FCC—may be that they try too often to operate in a rigidly-confined judicial atmosphere. A jurist who handles Commission cases made that suggestion last week.

Court of Appeals Judge E. Barrett Prettyman, named by President Eisenhower to direct the White House Conference on Administrative Procedure, took issue with agency critics who contend that what's needed is more court-like processes. On the contrary, he said, agency work might be speeded up by more informal procedures, particularly "in certain areas." He didn't single out FCC, but pointed to agency red tape involved with such problems as evaluation of cases, statistics and reports. "These matters are not necessarily judicial problems," Prettyman said, following a meeting in his chambers with the White House Conference's organizing committee (Vol. 16:43 p6). "In certain areas the agencies are too technical."

Other agency problems cited by Prettyman: (1) Selection & powers of hearing examiners. (2) Codes of agency ethics. (3) Mixed-up legislative, judicial and regulatory procedures. (4) *Ex parte* proceedings. (5) Delays in case adjudication.

He called on the organizing committee to come up with recommendations for an agenda for a continuing, permanent agency-lawyer setup at its next meeting Nov. 21 in Washington. The judge, who headed up a similar 1953-54 White House study of regulatory processes, said the new President's Conference should be modeled after judicial conferences organized recently in 10 federal judicial circuits.

## Technology

**Calling All Engineers:** In light of the GOP-Democratic disagreements over the size of the crowds being drawn by their whistle-stopping candidates, we offer the following suggestion—an electronic Crowd Counter.

Although TV & radio have a host of systems for measuring the unseen audience, there's no accepted method for weighing the seen. Hence the wide disparity between estimates by Democratic sheriffs & Republican police chiefs.

Though we're not engineers, it seems to us that there must be electronic techniques adaptable to cranium counting—radar, ultrasonic, infra-red, etc. A device mounted in a helicopter, on a tall building or in a vehicle could scan the mob and come up with a quick, accurate count.

It's acknowledged that some craniums are harder, thicker and less absorptive than others—as both Democrats & Republicans charge—but we believe that the nation's engineers are sufficiently ingenious to devise a system with parameters (as they call them) to encompass reasonable excursions from the norm.

It's recognized that an accurate Nose Numberer may not be welcomed in all quarters—that some officials may prefer to continue making their own estimates for public dissemination. However, it seems reasonable that a good Mass Measurer should attain general acceptance.

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Satellite communications prospects (Vol. 16:34 p1) are being explored by a British team of experts who arrived in Washington Oct. 23 for consultations with govt. agencies & private firms here.

RCA shipped a 25-kw transmitter Sept. 22 to WMVS-TV (Ch. 10 educational) Milwaukee, which is planning boost to 316 kw. RCA has also shipped 2 TV tape recorders to KDKA-TV Pittsburgh and to Radio Tupi, Brazil.

## Programming

**FIRST NIELSEN OF SEASON:** Admen last week were busily combing through the initial full-scale report on the program behavior of the 1960-61 season—A. C. Nielsen Co.'s first national report for October. In general, after adjustments were made for the shift in Nielsen's new reporting tactics, program behavior was about the same this season as last. (Programs are now measured nationally on a base of 100% of U.S. TV homes; formerly each program's audience was measured against the percent of U.S. TV homes that could receive that program.) Westerns, dramas, suspense shows, and the rest, were doing generally what they did a year ago, and the amount of public attention to network TV programming was similar. Highspots:

1. In the "top 15" (nighttime average audience) are 12 program veterans—including a network-rerun cycle of *Father Knows Best* in 6th place—and only 3 new shows, none in top positions. The 1-2-3 leaders wear familiar faces: *Gunsmoke*; *Have Gun, Will Travel*; *Wagon Train*.

2. Of the 3 new shows which hit the rating bigtime, 2 (*Tom Ewell Show* in 5th place; *My Three Sons* in 15th) are comedies. The 3rd is a 60-min. private-eye series (*Checkmate*, 11th). Nearly all of the successful new shows appear to owe a large debt to the factor of time period occupied, particularly when serving as the lead-in or lead-out show to one of the top favorites.

3. Strong Westerns are far from dead. In its debut week (the Sept. 29 rating week), NBC's *Outlaws* pulled a surprise 18.7 AA against a 9.8 for *Witness* on CBS in the 7:30-8:30 Thu. period, and topped the average of a pair of 30-min. comedies, *Guestward Ho* with a 12.6 and a new cycle of *The Donna Reed Show* with a 19.2, on ABC-TV.

4. A good adjacency continues to be a solid rating asset. Serving as the lead-in show for *Red Skelton* (4th-rated show in the AA leaders), *The Tom Ewell Show*, a comedy newcomer in CBS' 9-9:30 p.m. slot, drew a 26.4 (for 5th-rated AA position). *Skelton* drew a 28.5. Critics were generally lukewarm toward Ewell's show, but this appeared to be more than canceled by being next to *Skelton*.

5. Similarly, the new *Pete & Gladys* show benefits by being the lead-in to *Father Knows Best* on Mon. nights, *Checkmate* is helped by preceding *Have Gun, Will Travel*, and *Flintstones* is aided by acting as the Fri.-night warmup for *77 Sunset Strip*.

6. The first Nielsen scorecard on the Nixon-Kennedy debates was also tallied. Carried by all 3 TV networks (and 4 radio networks), the Sept. 26 show reached a total TV audience—those who watched 5 mins. or longer—of slightly more than 30 million homes. The initial debate held its audience nicely; at any average moment, 59.5% of U.S. TV homes were tuned in.

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**Postscript to Susskind-Khrushchev on *Open End*:** A. C. Nielsen Co.'s survey of the show's N.Y. audience revealed that it had twice as many viewers among "professional" (doctors, lawyers, etc.) people as among non-professionals, and the audience was 3 times as large among upper-income (above \$6,000 annually) families as among lower-income.

**Broadcasts in Esperanto** have been started by the Voice of America, whose overseas programs are transmitted regularly in 36 languages. The constructed international language is used by some 600,000 persons.

**Bard Beachhead for BBC:** An extensive new sales campaign is being launched in the U.S. this fall by BBC-TV, which is eager to drum up export sales for shows produced at its new TV center in London. Spearheading the invasion is a package of 15 taped Shakespearean programs (13 are 60 min.; 2 are 75 min.) which BBC has sold to Metropolitan Bestg. Corp. The series, which spans an 86-year period of blood-soaked intrigue in English history, starting with Richard II, is drawn—rather like a historical soap opera—from 5 of Shakespeare's plays. It will start on WNEW-TV N.Y. and WTTG Washington in early Dec.

BBC's N.Y. office has also signed a syndication deal for the series with National ETV & Radio Center whereby some 50-odd NET outlets will telecast the series next spring. Meanwhile, the series is available from BBC for other commercial or ETV telecasting on 16 or 35-mm kinescopes or on U.S.-standard tapes.

The Shakespeare series, *An Age of Kings*, isn't the only BBC fare that will be promoted this fall in a reverse of the U.S.-to-Britain program sales trend. BBC's Ronald Waldman, who heads overseas sales operations for the govt.-controlled TV-radio network, arrived in N.Y. Oct. 26 to begin an intensive round of sales calls. Much of the sales pressure will probably center on *Inspector Maigret*, a 39-episode taped suspense series based on the Simenon novels, available to U.S. buyers next spring.

Currently, BBC has a foothold in the U.S. program market through co-production deals with NBC's CNP for *Royal Canadian Mounted Police* and with NTA for *The Third Man*. Both 30-min. film shows are in active TV syndication. BBC has also made available some of its public-affairs programs to WNTA-TV N.Y. and has a deal with NBC-TV for transatlantic newsfilm feeds via cable.

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Corinthian Bctg. Corp. Pres. C. Wrede Petersmeyer and project dir. Herman Land revealed details last week of a post-convention study in Corinthian's markets. The company, whose 5 TV outlets fielded a large team of newsmen at both conventions last July, achieved 100% sponsorship & "practically no monetary loss" in its grass-roots TV coverage of convention politicking. The station group has every intention of covering the 1964 conventions in a similar manner, said Petersmeyer. At the same meeting, Gilbert Seldes, dir., Annenberg School of Communications, U. of Pa., said: "The addition of special coverage to the big and still-necessary large-scale coverage is a vital experiment. There is, of course, a danger in fragmentation, so that you cannot see the structure. The answer is the difference between thinking big & thinking profoundly."

**Many-a-slip Dept.:** Philip Morris is putting considerable TV backing behind its new "Commander" cigaret brand. However, Navy buffs point out, its commercials feature the 3-star insignia of a vice admiral . . . CBS-TV's Oct. 24 Presidential entertainment special, "The Right Man," used large-space newspaper tune-in ads showing actor Paul Ford, wearing a Coolidge-type Indian war bonnet, as "the perfect candidate." At the last minute, however, Ford's 90-sec. comedy sequence was cut for time. He was never seen on the show—but his name appeared in the credits anyway . . . On CBS Radio's *World News Roundup* last week, newscaster Dallas Townsend came on at the end of the show to correct a mistake in which he had referred to the President's tour as "political." Apologized Townsend: "I referred by accident to President Eisenhower's current political tour as . . . (long pause) current tour as political. It is non-political."

## Networks

**Talent Summit Meeting:** After 6 weeks of conferences, special meetings and frustrated efforts, AFTRA-network negotiations are beginning to resemble, more & more, the Geneva disarmament talks. The only point on which both sides have agreed conclusively: Networks will not audition school-age children during school hours. Time is running out, however, inasmuch as AFTRA's contract with the networks expires Nov. 15. The union reportedly is planning an all-out final negotiation effort on the eve of contract expiration—at a time when AFTRA believes it will be holding the bargaining advantage.

Radio success in the TV age was claimed last week by NBC Radio, as the now-in-the-black (Vol. 16:39 p9) network unwrapped these (among other) figures: Cost-per-1,000 on NBC Radio now run as little as 36¢ (for hourly newscasts) and 46¢ in the weekend *Monitor* show. Of the 10 top national radio advertisers, 8 (including Pepsi-Cola, Chevrolet, Metropolitan Life and Liggett & Myers) are NBC Radio clients. In a 4-week period, NBC Radio newscasts reach 12.5 million homes.

Local Winston Churchill documentary has been postponed by WNEW-TV N.Y. as the result of a "friendly suggestion" from competitor (& co-producer of the *Winston Churchill Memoirs* series) ABC-TV. The network's Churchill series is scheduled to debut Nov. 27. A call from ABC-TV Pres. Oliver Treyz apparently triggered a rescheduling of WNEW-TV's show to Dec. 18 from Nov. 27. Said Treyz: "It might be a little confusing for viewers."

### NETWORK SALES ACTIVITY

#### ABC-TV

**American Bandstand**, Mon.-Fri. 4-5:30 p.m., part. eff. Feb. *International Shoe* (Krupnick)

**Daytime programming**, Mon.-Fri., first 2 part. eff. this month, second 2 eff. Dec.

*General Mills* (BBDO)

*Ex-Lax* (Warwick & Legler)

*Coleman* (Potts-Woodbury)

*Paper Novelty Mfg.* (Zlowe)

**Election night coverage**, Tue. Nov. 8, 9 p.m. to end, part.

*Continental Oil* (Benton & Bowles)

*Union Carbide* (William Esty)

#### CBS-TV

**Money and the Next President** (*CBS Reports*), Thu. Oct. 27, 8:30-9:30 p.m., full sponsorship.  
*Commander cigarettes* (Leo Burnett)

**Face the Nation**, Mon. 10:30-11p.m., co-spon. eff. Nov. 14.  
*Shick* (Benton & Bowles)  
*Knomark* (Mogul, Williams & Saylor)

**Sun. Sports Spectacular**, Sun. 2:30-4 p.m., part. eff. Jan. 8.  
*Liggett & Myers Tobacco* (D-F-S)

#### NBC-TV

**Texaco Huntley-Brinkley Report**, Mon.-Fri., 6:45-7 p.m., full sponsorship renewal.  
*Texaco* (Cunningham & Walsh)

**NBC News Election coverage**, Tue. Nov. 8, 9 p.m. to conclusion, 1/6 participation.  
*Cowles Magazines* (McCann-Erickson)

**Jack Paar**, Mon.-Fri. 11:15 p.m.-1a.m., part. eff. Oct. 31.  
*Adam Hats* (Mogul, Williams & Saylor)

## Television Digest

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**Personals:** John Gemma named chief of CBS-TV network operations at TV City, Hollywood; he's succeeded as operations mgr. of KNXT Los Angeles by Richard Marsh . . . W. C. (Bud) Prather promoted to technical operations dir. of NBC's WNBQ & WMAQ Chicago, succeeding Howard C. Luttgens, who retired after 34 years with NBC . . . Bob Lyte, ex-Tribune Publishing (KTNT-TV & KTNT Tacoma, *Tacoma News Tribune*) appointed ad dir. & film buyer of WLWB-TV, due to take over Miami Ch. 10 from WPST-TV pending decision by Appeals Court (Vol. 16:41 p5) . . . Phil Lewis, ex-WNTA-TV N.Y., named news dir. of KYW-TV Cleveland, succeeding Gary Franklin, resigned.

Grady Jackson (Jack) Burney Jr., research mgr. of WBTV Charlotte, N.C., elected Tvb research advisory committee chmn., succeeding Melvin A. Goldberg.

Warren J. Boorom resigns as RAB's vp-member service dir. to become ad & promotion dir., Metropolitan Bestg. Corp.; succeeded as member service dir. by Patrick Rheume . . . M. L. Plessner named ad, promotion & PR dir., KPLR-TV St. Louis . . . C. Braxton Valentine Jr., ex-Internal Revenue Service, joins Washington law firm of Weaver & Glassie.

R. E. Misener, gen. mgr. CFCF-TV Montreal, has been elected pres. Central Canada Broadcasters Association, succeeding S. C. Ritchie, CKLW Windsor, Ont. John Moore, CHLO St. Thomas, and Wm. McGregor, CKCO-TV Kitchener, elected vps. Stuart MacKay, pres. All-Canada Radio & TV Ltd., told the conference 1,000 jobs will be open in 1961 in Canadian radio-TV broadcasting.

Purchase of "Television Magazine," monthly TV trade publication founded in 1944 by the late Frederick A. Kugel, was announced late last week by Mrs. Frederick A. Kugel and Sol Taishoff, pres. of Broadcasting Publications Inc., publishers of *Broadcasting*. According to Taishoff, *Television* will continue publication from its present N.Y. hq as a "separate corporate entity," and with "no immediate changes contemplated in personnel, format or editorial & operating policy."

### Obituary

H. P. Somerville, 71, who retired 3 years ago as BMI vp, died Oct. 27 in N.Y. as a result of a fall a month ago. He is survived by his wife, a daughter and 5 grandchildren.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**NEW DELAYS POSSIBLE IN FM STEREO:** There's less optimism at FCC now about possibility of posting FM stereo broadcast standards by year's end. And for the first time we're hearing suggestions that there could be a verdict of "not ready" or "more study."

National Stereophonic Radio Committee's report on its field tests of 6 proposed FM stereo systems last summer in Uniontown, Pa. was filed last week with FCC as the deadline passed for system comments. Comprehensive as it is, NSRC's 4-in. thick compendium of field-test curves & measurements—like other industry filings—leaves many important questions unanswered. The report, prepared under NSRC field-test chief, NAB engineering-dept. mgr. A. Prose Walker, points up difficulties in selection of best stereo system: No one system showed up vastly superior to the others in all respects.

Despite high priority being given by FCC to FM stereo action, Commission staffers now say only that they "hope" Commission will reach decision this year. And it's becoming clearer (particularly in light of field-test results) that the word "decision" covers much territory.

It could mean selection of a specific system, but there now seems more inclination to include these alternatives: (1) FCC could "decide not to decide"—state that it hasn't sufficient information, wants more tests or proposals. (2) It could rule that none of the proposed systems meets its definition of "compatible"—that they produce unacceptable signal on conventional monophonic FM sets.

• • • •

Which systems came out best in field tests is controversial, even among field-test panel members. On the surface, on basis of detailed perusal of report, it would appear that Crosby, GE & Zenith systems demonstrated most desirable characteristics in greatest number of test measurements. But individual comments, filed by other system proponents (Calbest, EMI, Multiplex Development) in appendix to report, leave no doubt that they feel their systems didn't make best possible showings because of unexpected equipment deficiencies & breakdowns, test-equipment troubles, etc.

Although FCC just received field-test data, Commission staffers were present at all NSRC meetings and through entire field-test period. Brunt of FM stereo staff work will fall on Harold L. Kassens, chief of Commission's Aural Existing Facilities Branch, who served on NSRC in advisor & observer capacity. It's said by panel members that Kassens was only person who was continually present at all of last summer's midnight-to-dawn field tests at Uniontown, Pa. Wee-small-hour work was required because originating station for field tests—Pittsburgh's KDKA-FM—could conduct experimental transmissions only in non-broadcast hours.

Along with field-test report, FCC received big batch of tape recordings made at Uniontown field tests for each of the 6 proposed stereo systems—both stereo & monophonic reception at various field strengths. One of toughest jobs for Commission will be listening to these tapes and comparing subjective judgments of quality with field-test measurements for each system. Here are some of the more knotty problems FCC will have to decide in its stereo deliberations:

(1) Can stereo broadcasting be compatible with monophonic sets? There are 10-to-14-million standard FM sets now in use. Owners of these sets must be protected when stereocasts begin—that is, they must be able to receive good quality monophonic programs from stereo broadcasts. New information, gathered mainly by Bell Telephone Labs and reported to FCC last week in report of field-test subcommittee No. 6, casts doubt on concept of adding both stereo channels together to produce a good-quality monophonic signal. Subcommittee found that quality of many stereo discs is degraded when used for monophonic programming, mainly due to phase differences between the 2 sound channels.

"The majority" of stereo discs are "acceptable for compatible stereophonic & monophonic broadcasting," said the subcommittee—but it noted that it found 8 of 32 (or 1 in 4) stereo records "afforded definitely

inferior monophonic reproduction." Whether further degradation is added to monophonic sound due to other phase shifts in the various stereo broadcasting & reception systems is up to FCC to determine. As to records themselves, subcommittee concluded that "improvements will come when the record companies take note of compatible stereo broadcasting and the need for compatible records."

(2) What are the effects of interference on stereo broadcasts? Co-channel & adjacent-channel interference and what they do to stereo signals couldn't be measured by field-test panel, which instead asked system proponents to file their own lab measurements with Commission. It's also probable that FCC engineers will have to conduct own tests in this field.

(3) Should stereo broadcasters be permitted other multiplex operations? This is important basic policy question—involving such multiplex services as functional music, storecasting, etc. Crosby system—considered by some the highest-fidelity stereo system proposed—leaves no room for these other Subsidiary Communications Authorization (SCA) services, and its adoption would require FM broadcasters to choose between stereo and other multiplex services. All 5 of the other systems tested would let broadcaster transmit stereo to FM listeners simultaneously with and in addition to regular point-to-point multiplex services.

More than 200 FM outlets are now authorized to conduct various SCA multiplex services. Therefore, there's feeling that Crosby system would have to show up markedly superior to all other systems in order to gain FCC approval as the one FM stereo system. In view of recent Bell Labs & RCA studies of "good stereo"—which showed that acceptable stereo must have separation only as high as 10 kc (Vol. 16:42 p17)—it would seem that FCC may lean away from Crosby proposal. Crosby system's ace is maintaining stereo separation across the entire audio band, while some of the other systems lose separation at 7, 8 or 10 kc.

"Crosby is a Cadillac; the others are Fords & Chevys," is the way one NSRC engineer put it to us. "They'll both get you there. Crosby will have to show up awfully, awfully superior to make the Commission decide to sacrifice SCA multiplexing for a stereo system, when it could have both."

Organized lobbying for Crosby system by hi-fi enthusiasts is beginning to show up at FCC. Commission has received about 500 letters, mainly from readers of "Hi Fi & Stereo Review," which recently ran editorial urging readers to write FCC in behalf of Crosby system. Since these letters aren't "comments" in conventional sense, best guess is that they'll be "noted & filed" by Commission.

There's some talk of a "modified Crosby system," which would permit SCA multiplexing by curtailing stereo separation at high end of audio spectrum. This, of course, is a possibility, as are other types of "hybrid" systems not specifically tested by NSRC. Commission will consider at least 2 systems not included in NSRC reports: (1) The one Philco proposed, then withdrew from NSRC consideration, but which is still on file with FCC. (2) The proposed FM stereo specifications submitted by RCA, which isn't an NSRC member.

Manufacturing & marketing questions also will enter into FCC's decision—albeit indirectly. Among these considerations: How economically can FM stereo radios for each system be manufactured? Can standard FM radios be converted easily to the various systems?

These & other imponderables begin to suggest that FCC has big, big job ahead. There's no doubt Commission intends to proceed with utmost dispatch, as soon as counter-comments are filed Nov. 7—but field-test results and the controversy they are stirring up are indicative that final decision won't be easy, and it may not be soon.

For other stereo FM comments received by FCC last week, see p. 18.

#### **TV-RADIO PRODUCTION:** EIA statistics for the week ended Oct. 21 (42nd week of 1960):

	Oct. 14-21	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	119,634	124,587	180,048	4,748,925	5,036,889
Total radio .....	407,078	433,493	459,861	13,675,916	12,266,111
auto radio .....	145,588	156,510	135,912	5,252,191	4,557,978

Televideo Corp. of America, which operates Picture Tube Mart in Culver City, Cal., has been ordered in an initial FTC decision to stop selling rebuilt TV picture tubes without disclosing that they contain used parts. FTC said the company failed to answer a June 27 complaint charging "material facts" about its tubes weren't revealed to buyers.

Rebuilt TV picture tubes have been misrepresented as new by National Television Tube Inc., Saddle Brook, N.J., and National Tube Corp., South Norwalk, Conn., FTC charged in separate complaints against the manufacturers. The complaints said the alleged practices diverted trade unfairly from competitors in violation of the FTC Act.

**TV-RADIO EXPORTS & IMPORTS:** Exports of TV sets dropped in July for the 3rd consecutive month, according to official Commerce Dept. figures. Shipments of complete TV sets during the month totaled 5,335 units (vs. June's 6,653 & May's 10,526), with TV chassis exports at 6,839 (from June's 7,634, May's 577). July is the traditional "vacation month" when many U.S. TV plants shut down.

July's TV set exports were valued at \$717,574. Shipments worth \$1,000 or more went to some 30 countries—including 4 sets valued at \$1,030 to Soviet Russia. Largest shipments went to: Canada, 1,031 sets (at \$144,498); Peru, 725 (\$85,416); Venezuela, 655 (\$96,859); Costa Rica, 604 (\$74,064); Panama, 420 (\$56,579); Lebanon, 385 (\$58,804). Cuba received but 28 sets (at \$1,328)—a far cry from the rate of last year, when 28,303 sets were shipped to Cuba at a total value of more than \$3.6 million.

TV chassis exports were valued at \$360,802; went largely to 4 countries: Italy, 3,040 (\$163,524); Peru, 1,360 (\$66,228); Mexico, 1,135 (\$63,450); Canada, 1,052 (\$49,569).

Among other July electronics exports:

Home radios, 5,884 at \$191,814, of which more than half (3,476 at \$93,890) went to Canada. Home radio chassis, 2,413 at \$40,530, with 1,000 going to Viet Nam at \$26,730 and 1,000 to Mexico at \$8,600. Auto radios, 5,625 at \$111,641, including 2,526 (\$40,498) to Canada and 2,161 (\$39,576) to Mexico. Radio-phonos, 177 at \$26,618. Picture tubes, 116,805 at \$2,461,636, major customers being Argentina, Italy, Sweden, Denmark & France. Receiving tubes, 1,469,697 at \$1,151,641, major shipments going to Mexico, Brazil, Canada & Argentina. Transistors & diodes, 923,990 at \$1,527,431, principally to France, Canada, Sweden, Italy & U.K. Recorders & parts, \$1,003,429. Phonos, 1,253 at \$92,707. Phono parts, \$501,548.

#### TV Transmitter Exports

TV transmitting equipment exports totaled \$375,641, of which \$109,654 went to Canada. Countries which currently have no TV stations but which received transmitting equipment in July were Syria (\$82,845) and Israel (\$15,952). TV studio equipment exports totaled \$766,983, AM & FM transmitting gear \$158,972, audio broadcast equipment \$118,990.

\* \* \*

Electronic imports generally were lower in June, too. Principal categories:

Transistor radios, 380,661 at \$3,711,430, of which 369,827 came from Japan, 10,762 from West Germany. Other portable radios, 33,878 at \$161,602, with 31,127 from Japan, 1,386 from Netherlands. Other radios, 84,355 at \$760,535, with 71,738 coming from Japan. Radio-phonos, 8,392 at \$626,795, with 4,723 (\$458,124) from Germany, 3,554 (\$162,578) from Japan. Record-players & parts, \$692,458 (from Germany, Japan & Switzerland). Phonos, 2,158 at \$60,454, from Japan (922), U.K. (801), Norway (333).

TV cameras & parts, \$155,992, all from U.K. "TV tubes & parts," \$79,472, from U.K., Switzerland & West Germany. Other TV apparatus & parts, \$180,000, largest amount (\$67,558) coming from France. Other radio apparatus & parts, \$1,316,896, including \$511,316 from Canada, \$399,459 from Japan, \$203,282 from West Germany. "Radio tubes," 2,225,270 at \$806,418, of which 1,190,022 at \$311,754 were from Japan, with other major quantities from Netherlands, U.K. & West Germany. No figures are given on imports of TV sets or transistors.

**Japanese Production Stays Up:** Electronic output in Japan totaled \$565 million in the first 1960 half—up 40% from the figure reported for the first 6 months of 1959—the U.S. Commerce Dept. reported.

Production in this year's 2nd quarter leveled off somewhat from first-quarter heights, which were 53% above estimates for the corresponding 1959 period (Vol. 16:34 p16). Total value of the April-June 1960 output was only \$1 million more than in the Jan.-March quarter.

Citing U.S. embassy reports from Tokyo, the electronics div. of Commerce's Business & Defense Services Administration said the first-half electronics industry expansion in Japan can be attributed partly to export increases—"but more basically" to high investments in companies there and to increases in consumer demand.

A BDSA breakdown of increases in electronic products in the first 1960 half vs. the first 1959 half gave this picture: All consumer items, 43%; TV receivers, 36%; radio receivers with 3 or more transistors, 80%; radio-phonos, 139%; receiving tubes, 63%; transistors, 48%.

\* \* \*

Japan has stopped exporting TV & radio tubes to Canada, following consultations between the two governments about the penetration of the Dominion market by Nippon manufacturers. The report is from Finance Minister Donald M. Fleming, who says the suspension will continue through 1960, "or until such time as satisfactory quotas can be arranged." It applies to all shipments except those already in transit. Fleming adds that "consultations will continue between the two governments & the industries concerned with a view to reaching mutually satisfactory arrangements for the control of shipments to Canada on a more orderly basis in the future." During the first 7 months of this year, Japanese shipments of TV & radio tubes to Canada were more than double the year-ago volume—climbing to 2,589,000 units, vs. 2,324,000 tubes for all '59.

■ ■ ■

Electronic wristwatch that uses a transistor, electronic circuitry and a 1.3-volt mercury cell in lieu of the conventional watch movement, was introduced by Bulova last week in a coast-to-coast closed-circuit TV press conference. The transistorized Bulova, named Accutron, has a price range of \$175-to-395 for 12 different models. The company said the tiny power cell, which retails for \$1.50, will operate the watch for more than a year. The closed-circuit TV conference, produced by TNT, originated in N.Y.'s Statler Hilton hotel and linked a press audience in 13 cities, including Toronto, Canada. The electronic press conference was the second for TNT, which says it debuted the first when introducing the Ford Falcon last year (Vol. 15:34 p20).

Emerson introduced new color console, a 19-in. TV-radio-phono combo and 2 stereo instruments as drop-ins last week. The 21-in. color set, available in mahogany or fruitwood hardwoods, lists at \$750. The one-piece 19-in. lowboy TV-radio-stereo unit, designed to fit into limited space, is priced at \$358. A new 40-watt stereo-radio combination is \$368 and a second combination features reverb-eration, at \$298.

First rent-all products stores of new Hertz subsidiary, Hertz Rent-All Corp. (Vol. 16:40 p15), are slated for Nov. 4 opening in Chicago. Vp-gen. mgr. Harlan Liss reports that 2 Chicago stores will be founded initially, followed by 2 others later. The Hertz subsidiary plans a nationwide chain to rent a broad range of merchandise, including TVs & radios. Rental for 17-in. portable: \$5 wkly., \$15 monthly.

**FM STEREO COMMENTS:** Small flurry of comments by FM stereo system proponents and others drifted down on FCC at last week's end as deadline passed for filings. Biggest document received was the NSRC field-test report (see p. 15). Highlights of other comments:

Three of the proponents whose systems were classified & tested by NSRC are known to have filed comments by deadline—although others may show up next week. GE urged the Commission to authorize its system, which it said "proved capable of providing a superior broadcasting service with simple & inexpensive additions to transmitting & receiving equipment."

In its own interpretation of NSRC field tests, GE stated that its system "produced the best stereophonic separation and was the only system that fully met minimum stereophonic requirements outlined by NSRC Panel 6 (field testing). In addition, said GE, its system "proved best in fidelity, both in monophonic & stereophonic sound," showed excellent signal-to-noise characteristics and demonstrated that "the SCA performance was the same whether the main broadcast was stereophonic or monophonic."

Zenith urged FCC to authorize stereo and to adopt the Zenith system. It stated that its system has all the capabilities for high-quality performance and is fully compatible with present monophonic services & "suitably regulated SCA services," and that transmitter requirements are "modest & practical," receivers "simple & versatile."

Multiplex Development Corp. (William Halstead) requested "serious consideration" of its field-tested system utilizing the "Phantodyne" stereo matrix system.

A few FM broadcasters were heard from. WCRB Boston favored the Multiplex Development (Halstead) system and urged its adoption in a slightly modified version. High Fidelity Bstrs. Inc., Bethesda, Md. FM CP-holder, said it will use any system FCC adopts but urged Commission to approve a system based on "quality of signal delivered to the listener."

There was some concern lest stereo subcarrier frequencies might conflict with remote transmitter control. KRCW (FM) Santa Barbara asked FCC not to permit subcarrier in the 16-28-kc range. The station said its transmitter is remotely controlled by control tones in the 17-23-kc band and use of such frequencies for stereo would deprive it and other stations of remote control. Moseley Associates, manufacturer of remote-control devices, also of Santa Barbara, entered a similar plea.

\* \* \*

Members of NSRC's field-test panel, which last week submitted its report on tests of FM stereo systems to FCC (see p. 15): A. Prose Walker, NAB, chmn.; R. H. Beville, WWDC Washington, vice chmn.; John Carroll, *Electronics*, secy.; L. B. Arguimbau, of Bolt, Beranek & Newman; W. H. Beaubein, A. Csicsatka & R. M. Linz, GE; K. F. Becker & W. T. Wintringham, Bell Labs; W. P. Boothroyd, Philco; R. W. Burden, WRNW-FM Mt. Kisko, N.Y.; M. G. Crosby, B. C. Coffman & L. Feldman, Crosby-Teletronics; S. Decker, Magnavox; L. B. Dodds & P. B. Vanderlyn, EMI; U. Dols, Warwick; C. G. Eilers, Zenith; H. Fremont & H. N. Parker, Calbest; R. E. Furst, Harman-Kardon; A. C. Goodnow & F. J. Schaefer, Westinghouse; Ralph N. Harmon, Westinghouse Bstrg. Co.; W. S. Halstead, Multiplex Services Co.; R. A. Isberg, Ampex Professional Products; F. L. Mergner & G. E. Meyer, Fisher; H. Pyle, Delco; B. F. Tyson, Sylvania; D. R. von Recklinghausen, H. H. Scott Inc.; Harold L. Kassens & J. T. Robinson, FCC (advisory).

**Labor News:** IUE and GE settled their differences with a new 3-year contract Oct. 22, ending the strike by 70,000 employes at 55 plants (out of a total of 240,000 at 166 plants). It had begun midnight Oct. 1 (Vol. 16:40 p15). The agreement provides an immediate 3% wage boost, eliminates the cost-of-living escalator clause desired by the union, and gives IUE 30 days in which to select one of 3 wage & benefit options proposed by GE during the pre-strike negotiations.

End of the strike did not bring complete peace to GE, however. At week's end, the company was still embroiled in a charge & countercharge tussle with Philadelphia Mayor Richardson Dilworth, each criticizing the other's views on picketing during the strike.

GE last week also reached tentative agreement on a new 3-year pact with the independent United Electrical Workers, which claims to represent 24,000 employes in 14 plants (vs. GE's claim of 10,000 in 13 plants). The new contract, subject to ratification by UE membership, is similar to the GE-IUE agreement.

Westinghouse, which settled with IUE Oct. 20 (Vol. 16:43 p18), last week signed a new 3-year agreement with UE, which represents about 8,000 employes in 7 plants. The terms were similar to those contained in Westinghouse's new 3-year pact with IUE.

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**Trade Personals:** Donald F. Clemens, ex-RCA, Motorola & BBDO, joins Westclox mktg. dept. as product mgr. for its new clock-radio line . . . Orphie Bridges, Arvin vp, named chmn. of new radio section of EIA Consumer Products Div. . . . Morris E. Boyles, ex-engineering administration mgr., promoted to components engineering mgr., GE TV receiver dept. . . . Thornton S. Adams, ex-Spiegel, appointed to new post of mktg. dir., Allied Radio.

Walter C. Davidson, former Los Angeles management consultant & adman, named product mgr. of closed-circuit TV systems, ITT industrial products div., San Fernando, Cal.; Fred Twomey, ex-vp-gen. mgr. of Air Associates Inc., named ITT mgr. of avionic products, a new post . . . James Fooskas & Charles C. Weston appointed International Resistance accounting & budget directors . . . Arthur N. Hausman named vp & research dir., Ampex Corp.

Paul Lebenbaum Jr., ex-GE, named mgr., ITT components div. Palo Alto plant . . . Paul R. Bunker named Magnecord products sales mgr., Midwestern Instruments . . . Capt. William I. Bull (USN ret.) named asst. to pres. for semiconductor operations, Hoffman Electronics.

Robert G. Swain, promoted from Eastern regional sales mgr. to new post of semiconductors product planning mgr., CBS Electronics . . . James R. Weiner, ex-Lockheed Missiles and Remington-Rand Univac, appointed to new post of engineering vp, Philco govt. & industrial group . . . Edward J. Hart appointed RCA microwave dept. mgr. . . . R. V. Miraldi named plant mgr., RCA defense electronic products Cambridge, Ohio plant.

Lloyd S. Miller, AT&T Washington office dir., elected a vp . . . Joe P. Schindler named to new post of mktg. dir., Polarad Electronics . . . Chester (Chet) Jur, ex-Packard Bell, named sales mgr., Rutherford Electronics communications div. (pulse instrumentation), Culver City, Cal.

### Obituary

Sophie Nack, who headed the Chicago PR firm which handled promotion & publicity for the annual Electronic Parts Distributors Show, has died in Flint, Mich., after several months illness.

## Finance

Siebler Corp., parent of Olympic Radio & TV, reports a decline in sales & profits for fiscal 1961's first quarter (ended Sept. 30) compared with a year ago (see financial table). Olympic contributed to the decline, Pres. John G. Brooks noted. However, he pointed out, Olympic's 8.5% drop in TV sales for the quarter compared with a 13.7% setback for the TV industry. For the first 9 months of the calendar year, Olympic's unit sales of TV's gained 7.4% vs. an industry decline of 2.5%. Brooks said Olympic's consumer-goods dollar volume was down only 3% from a year ago. But he pointed out that TV prices had been increased from the 1959 level. TV (including color sets which Olympic began shipping during the quarter), hi-fi and other commercial electronic products produce about 50% of Siebler's sales; 25% are military products, the balance from heating & air conditioning equipment.

Magnavox, bucking an industry trend, posted higher profits as well as sales for the September quarter and the 9 months to Sept. 30 (see financial table). Pres. Frank Freimann attributed the sales rise to a 50% increase in volume registered by the government & industrial electronic div. Third-quarter sales of consumer products slipped 10% from a year ago, attributable, Freimann said, to both an "industrywide sales decline" & delays in shipments caused by a fire in a supplier's plant. October sales of consumer products "improved," he said, and the 4th-quarter picture "looks favorable." Freimann expects Magnavox's new 27-in. TVs, now being shipped to dealers, to "stimulate" 4th-quarter sales.

Magnavox has filed an SEC registration statement (File 2-17212) covering 149,184 common stock shares to be offered employees under restricted option plans.

Loral Electronics Corp., N.Y. research & development company whose business is mostly military, plans public sale of \$5 million of convertible subordinated debentures due 1980. An SEC registration statement (File 2-17244) listed underwriters as Kidder, Peabody & Co., Lehman Bros. and Model, Roland & Stone. The price & interest rate weren't specified in the SEC application.

Pioneer Electronics Corp., Los Angeles manufacturer of replacement TV picture tubes, plans a subscription offering of 217,902 common shares to holders of outstanding stock for \$1 per share on a basis of one new share for each share held. An SEC registration statement (File 2-17235) said no underwriting is involved.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stock of Record
Desilu Productions ...	Q	\$0.15	Nov. 25	Nov. 11
Emerson .....	Stk.	3%	Dec. 15	Nov. 14
Filmways .....	Stk.	2%	Dec. 2	Nov. 4
IBM .....	Q	.75	Dec. 10	Nov. 10
International Resistance ..	Q	.07½	Dec. 1	Nov. 15
P. R. Mallory .....	Q	.35	Dec. 10	Nov. 16
P. R. Mallory .....	Stk.	2%	Dec. 20	Nov. 16
National Video "A" ..	Q	.22½	Nov. 21	Nov. 4
Sperry Rand .....	Q	.20	Dec. 31	Nov. 15
Stanley Warner .....	Q	.30	Nov. 25	Nov. 9
Stewart-Warner .....	Q	.35	Dec. 10	Nov. 18
TV Shares Managem't	SA	.20	Nov. 16	Oct. 31
TV Shares Managem't	Ex.	.10	Nov. 16	Oct. 31
Tung-Sol .....	Q	.35	Dec. 2	Nov. 10
Westinghouse .....	Q	.30	Dec. 1	Nov. 7
Whirlpool .....	Q	.35	Dec. 31	Dec. 9

Reports & comments available: United Artists, report, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4 • Douglas Microwave, comments, Bruno-Lenchner, Bigelow Square, Pittsburgh 19 • Stelma, review, Amos Treat & Co., 79 Wall St., N.Y. 5 • Decca Records, discussion, Hill, Darlington & Grimm, 40 Wall St., N.Y. 5 • Litton Industries, report, Cooley & Co., 100 Pearl St., Hartford 4 • Columbia Pictures, review, Purcell & Co., 50 Broadway, N.Y. 4 • NAFI Corp., prospectus, Shields & Co., 44 Wall St., N.Y. 5 • Electronics Capital Corp., report, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • AT&T, prospectus, Morgan Stanley & Co., 2 Wall St., N.Y. 5 • Daystrom, prospectus, Goldman, Sachs & Co., 20 Broad St., N.Y. 5 • Electronics International Capital Ltd., prospectus, Bear, Stearns & Co., One Wall St., N.Y. 5 • Scantlin Electronics, prospectus, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • Vogue Instrument Corp., offering circular, S. S. Samet & Co., 170 Broadway, N.Y. 38 • Electro-Science Investors, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5. • Electronics Industry, profile in Oct. Perspective, published by Calvin Bullock, One Wall St., N.Y. 5.

Daystrom, Murray Hill, N.J. manufacturer of electronic equipment & components, is offering for public sale \$10 million of 20-year 5 1/4% sinking fund debentures. The debentures are due Oct. 1, 1980, are priced at 100, and are non-callable for 5 years for a lower-cost financing. The offering is through an underwriting group managed jointly by Goldman, Sachs & Co., R. W. Pressprich & Co.

Espey Mfg. & Electronics is now listed for trading on the American Stock Exchange. Symbol: ESP.

### OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Oct. 27, 1960  
Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	20 1/2	23	Magnetics Inc.	8 1/2	10
Aerovox	6 1/2	7 1/2	Maxxon (W.L.)	7 1/2	8 1/2
Allied Radio	21 1/4	23	Meredith Pub.	42	45 1/2
Astron Corp.	1 1/4	2 1/4	Metropolitan Bctg.	16 1/2	18 1/2
Baird Atomic	21	23	Milgo Electronics	15 1/2	17
British Industries	13	14 1/2	Narda Microwave	4 1/2	5 1/2
CGS Labs	9	10 1/2	Nuclear of Chicago	29 1/2	32 1/2
Cetron	4	4 1/2	Official Films	1 1/2	2 1/2
Control Data Corp.	39 3/4	42 1/2	Pacific Automation	5 1/4	6 1/2
Cook Elec.	14	15 1/2	Pacific Mercury	6 1/2	7 1/2
Craig Systems	13	14 1/2	Perkin-Elmer	37 1/4	40 1/2
Dictaphone	31	34 1/2	Philips Lamp	160 1/2	166 1/4
Digitronics	17 1/2	19 1/2	Pyramid Electric	2 1/2	2 7/8
Eastern Ind.	10	11 1/2	Radiation Inc.	17 1/2	19 1/2
Eitel-McCullough	18	19 1/2	Howard W. Sams	33 1/2	36 1/2
Elco Corp.	14 1/2	16 1/4	Sanders Associates	24 1/2	26 1/2
Electro Instruments	19 1/2	22	Silicon Transistor	5 1/2	5 3/4
Electro Voice	8 1/2	10	Soroban Engineering	32 1/2	35 1/2
Electronic Associates	24 1/2	26 1/2	Soundscripter	11	12 1/2
Erie Resistor	8 1/4	9 1/2	Speer Carbon	18	19 1/2
Executione	23	26 1/4	Sprague Electric	43 1/2	46 1/2
Farrington Mfg.	25 1/2	27 1/2	Sterling TV	1 1/2	1 1/2
Fischer & Porter	14 1/2	16 1/4	Taft Bctg.	11 1/4	13 1/2
FXR	36 1/2	40 1/2	Taylor Instrument	34	36 1/2
General Devices	10 1/2	11 1/4	Technology Inst.	7 1/2	9
G-L Electronics	7 1/4	8 3/8	Tele-Broadcasters	5 1/2	11 1/16
Granco Products	3 1/2	4 1/2	Telechrome	11	12 1/2
Gross Telecasting	18 1/2	20 1/2	Telecomputing	6	6 3/4
Haydu	1 1/2	5/16	Telemeter	10 1/4	11 1/4
Hewlett-Packard	9 1/4	21	Time Inc.	59 1/2	63
High Voltage Eng.	123	135	Tracerlab	9	10 1/4
Infrared Industries	17	18 1/2	United Artists	6 1/2	7 1/2
International Rectifier	18 1/2	19 1/2	United Control	19 1/2	21 1/2
Interstate Engineering	19	20 1/2	Universal Trans.	1	1 1/2
Itek	44 1/2	48 1/2	Vitro	9 3/4	10 1/2
Jerrold	6	6 1/2	Vocaline	2 1/2	2 3/4
Lab for Electronics	35 1/4	38	Wells-Gardner	14 1/2	16 1/2
Lel Inc.	4 1/2	5 1/2	WJR Goodwill	8 1/2	10
Magna Theater	2 1/2	2-15/16	Wometco Ent.	11 1/2	12 1/2

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1960—year to July 31	\$ 34,821,953	—	\$1,284,204	\$1.25	—
	1959—year to July 31	29,682,110	—	1,151,741	1.13	—
America Corp.	1960—9 mo. to Sep. 30	22,980,767	—	932,227	.22 <sup>1</sup>	3,183,229
	1959—9 mo. to Sep. 30	20,173,268	—	(317,335) <sup>2</sup>	—	—
AB-PT	1960—9 mo. to Sep. 30	—	\$16,173,000	7,522,000 <sup>a-b</sup>	1.80 <sup>1</sup>	4,149,737
	1959—9 mo. to Sep. 30	—	11,219,000	5,226,000 <sup>b</sup>	1.22 <sup>1</sup>	4,149,362
	1960—qtr. to Sep. 30	—	3,970,000	1,869,000 <sup>b</sup>	.45 <sup>1</sup>	4,149,737
	1959—qtr. to Sep. 30	—	2,811,000	1,340,000 <sup>b</sup>	.32 <sup>1</sup>	4,149,362
Arvin Industries	1960—9 mo. to Sep. 30	49,045,439	1,984,586	958,101	.84	1,132,534
	1959—9 mo. to Sep. 30	50,603,330	3,501,983	1,686,541	1.49	1,129,659
	1960—qtr. to Sep. 30	16,569,205	759,934	364,768	.32	1,132,534
	1959—qtr. to Sep. 30	18,487,559	1,232,016	591,367	.52	1,129,659
Beckman Instruments	1960—qtr. to Sep. 30	15,060,698	1,541,014	741,014	.54	1,381,023
	1959—qtr. to Sep. 30	12,638,815	1,249,516	622,516	.46	1,363,094
Capital Cities Bctg.	1960—9 mo. to Sep. 30	5,311,362	1,106,102	566,508	.49	1,149,798
	1959—9 mo. to Sep. 30	3,478,251	142,504	134,666	.12	1,149,798
Cohu Electronics	1960—9 mo. to Sep. 30	—	—	145,230	.10	2,360,591 <sup>c</sup>
	1959—9 mo. to Sep. 30	—	—	674,968	.48	2,360,591 <sup>c</sup>
	1960—qtr. to Sep. 30	—	—	131,598	.09	2,360,591 <sup>c</sup>
	1959—qtr. to Sep. 30	—	—	139,865	.10	2,787,027
Dynamics Corp. of America	1960—9 mo. to Sep. 30	34,926,219	2,225,130	1,222,154	.32 <sup>1</sup>	2,787,027
	1959—9 mo. to Sep. 30	22,153,579	1,573,790	976,964	.23 <sup>1</sup>	2,753,603
GT&E	1960—year to Sep. 30	1,132,000,000	—	73,288,000	1.07 <sup>1</sup>	67,836,000 <sup>12</sup>
	1959—year to Sep. 30	1,027,000,000	—	68,597,000	1.10 <sup>1</sup>	61,278,000 <sup>12</sup>
	1960—9 mo. to Sep. 30	830,826,000	—	53,019,000	.76 <sup>1</sup>	68,601,000 <sup>12</sup>
	1959—9 mo. to Sep. 30	779,928,000	—	51,983,000	.82 <sup>1</sup>	62,201,000 <sup>12</sup>
International Rectifier	1960—qtr. to Sep. 30	3,337,496	—	280,667	.12	2,405,678 <sup>c</sup>
	1959—qtr. to Sep. 30	3,216,197	—	271,283	.11	2,405,678 <sup>c</sup>
Ling-Temco Electronics	1960—qtr. to Sep. 30	9,369,000	—	823,000	.33	2,477,463
	1959—qtr. to Sep. 30 <sup>a</sup>	40,871,000	—	716,000	.29	2,477,463
Litton Industries	1960—year to July 31	187,761,242	—	7,454,854	1.76	—
	1959—year to July 31	125,525,561	—	4,954,031	1.33	—
Magnavox	Story on p. 19.	79,875,000	7,161,000	3,534,000	1.50	2,360,591 <sup>c</sup>
	1959—9 mo. to Sep. 30	72,939,000	4,905,000	2,384,000	1.01	2,360,591 <sup>c</sup>
	1960—qtr. to Sep. 30	28,111,000	3,353,000	1,690,000	.72 <sup>11</sup>	2,360,591 <sup>c</sup>
	1959—qtr. to Sep. 30	25,661,000	2,571,000	1,244,000	.53 <sup>11</sup>	2,360,591 <sup>c</sup>
Metropolitan Bctg.	1960—39 wks. to Oct. 2	30,303,176	—	1,035,247	.61	1,699,137
	1959—39 wks. to Oct. 2	11,765,168	—	1,197,097	.77	1,549,012
	1960—13 wks. to Oct. 2	11,125,281	—	287,323	.17	1,699,137
	1959—13 wks. to Oct. 2	3,690,272	—	192,845	.12	1,549,012
MPO Videotronics	1960—9 mo. to July 31	5,487,798	—	186,936	.45	410,000
Mutec	1960—9 mo. to Sep. 30	8,871,207	201,472	98,726	.12 <sup>13</sup>	839,523
	1959—9 mo. to Sep. 30	9,690,656	489,983	237,211	.28 <sup>13</sup>	800,313
Siegler	Story on p. 19.	20,218,288	—	746,531	.40	1,872,466
	1959—qtr. to Sep. 30	21,189,245	—	815,616	.50	1,634,026
Standard Kollsman Industries	1960—9 mo. to Sep. 30	71,815,551	4,852,209	2,203,580	1.10 <sup>10</sup>	2,007,243
	1959—9 mo. to Sep. 30	54,227,527	1,976,997	1,039,497	.52 <sup>10</sup>	1,925,779
	1960—qtr. to Sep. 30	26,486,507	1,965,145	825,866	.41 <sup>10</sup>	2,007,243
	1959—qtr. to Sep. 30	19,005,960	821,894	399,794	.20 <sup>10</sup>	1,925,779
Stewart-Warner	1960—9 mo. to Sep. 30	82,264,260	10,016,574	4,781,574	1.45	3,297,753
	1959—9 mo. to Sep. 30	86,378,258	12,116,867	5,805,867	1.77	1,639,251
	1960—qtr. to Sep. 30	24,515,245	2,760,425	1,320,425	.40	3,297,753
	1959—qtr. to Sep. 30	29,147,639	4,257,003	2,036,003	.62	1,639,251
Thompson Ramo Wooldridge	1960—9 mo. to Sep. 30	313,962,717	14,064,545	6,858,145	2.10 <sup>1</sup>	3,150,825
	1959—9 mo. to Sep. 30	301,229,136	13,407,299	6,710,999	2.07 <sup>1</sup>	3,119,503
	1960—qtr. to Sep. 30	94,817,558	3,640,584	1,824,284	.55 <sup>1</sup>	3,150,825
	1959—qtr. to Sep. 30	101,691,898	3,427,190	1,784,790	.54 <sup>1</sup>	3,119,503
Tung-Sol	1960—39 wks. to Oct. 1	51,618,922	2,786,924	1,337,924	1.27	924,521
	1959—39 wks. to Oct. 1	53,088,119	4,470,654	2,109,654	2.10	923,142

Notes: <sup>1</sup> After preferred dividends. <sup>2</sup> After tax credit of \$310,000. <sup>3</sup> Record. <sup>4</sup> Based on profit from operations, and after preferred dividends. <sup>5</sup> Excludes gains of \$1,351,000 (.32¢) in 1960 & \$181,000 (.4¢) in 1959. <sup>6</sup> Excludes capital gains of \$23,000 in 1960 & \$182,000 (.4¢) in 1959. <sup>7</sup> Average shares outstanding Sep. 30, 1960. <sup>8</sup> Combines reports of Ling-Altec Electronics and Temco Aircraft, which were merged to form Ling-Temco (Vol. 16:22 p20). <sup>9</sup> No comparison available. <sup>10</sup> Based on 2,007,243 shares outstanding Sep. 30, 1960. <sup>11</sup> Adjusted to reflect Nov.-1959 2-for-1 split. <sup>12</sup> Average. <sup>13</sup> Based on 839,523 shares outstanding Sept. 30, 1960.

# 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

**FCC STUDIES RESTRAINTS ON STATION SALES**, considering rule-making vs. transfers of facilities held less than 3 years (pp. 1 & 5). **KWK ST. LOUIS CHARGED** with contest "fraud" as FCC starts revocation proceeding, charging treasure-hunt trickery, misrepresentation of prizes, etc. (p. 2).

**FCC SEEKS STATIONS' FISCAL FINE PRINT**, proposing expansion of Form 324 to elicit greater detail as in pre-1952 practice (p. 3). **FAA, FCC & TOWERS**—industry comments show TV-radio vs. aviation, as expected. Joint govt.-industry committee is recommended to set up equitable system (p. 4).

**WHITHER FCC PROGRAM HEARING?** FCC ponders whether to proceed with other phases of network program inquiry, pending 6-plus months of litigation with reluctant witnesses (p. 5).

### Auxiliary Services

**SO-SO REPORT ON TORONTO PAY-TV** by Canadian research firm says Telemeter shows may have slight popularity edge over free TV, but promoters are far in red (p. 2).

**NCTA GOES OUTSIDE INDUSTRY FOR LEADER**, picking William G. Dalton of Tyrex Industries as first paid pres. He takes over community antenna job Jan. 1 (p. 5). Dept. (p. 14).

### Stations

**POLITICIANS VS. BROADCASTERS** featured in campaign-windup Sec. 315 disputes. They run the TV & radio gamut from animated cartoons to ghosted voices (p. 3).

**PREDICTIONS BY HARRIS** underscore threats of action by Congress on "serious problems of public policy" in network regulation & license trafficking (p. 10).

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### Consumer Electronics

**W. R. G. BAKER**—"Mr. Electronics"—leaves legacy which includes today's TV system among his important contributions (pp. 15 & 17). **CHALLENGE TO ENGINEERS** to come up with new consumer-electronic products, increase reliability of present ones, is hurled by Motorola's Taylor at technical meet (p. 15).

**CONSUMER ELECTRONICS'** top topics at Radio Fall Meeting: Multi-function tubes, stereo TV & AM, transistor TV (p. 6).

**TV DOWN, RADIO UP** in retail sales for September; 9-month totals show 4.1 million TVs, 6.35 million home radios sold to consumers (p. 17).

**FM STEREO COMMENTS** filed by Crosby & EMI; former urges FCC to let broadcasters choose either stereo or SCA multiplexing (p. 18). **3RD-QUARTER SAG** in TV-radio industry indicates 1960 may go into books as year in which sales rose & profits fell (p. 19).

### Programming

**ELECTION TO BE TV-REPORTED** by the networks with total staffs of nearly 3,000, aided by latest computers & reporting techniques. Local stations join in vast effort (p. 6).

### Advertising

**CONGRESS NOT THROUGH YET:** "Good sell & good sense" must be shown by broadcasters & advertisers says Hartenbower (p. 11).

### Film & Tape

**SAG-AFTRA MAY STRIKE** against commercials; DGA seeks new contract; AFM signs for wage hike with AMPP (p. 12).

### Other Departments

**NETWORKS** (p. 8). **FOREIGN** (p. 9). **PERSONALS** (p. 14). **EDUCATIONAL TV** (p. 14). **TECHNOLOGY** (p. 14).

**FCC STUDIES RESTRAINTS ON STATION SALES:** Prodded by Congress & itself, FCC is considering sharp restraints on station sales, aiming to prohibit transfers of stations owned less than 3 years—with exceptions to be allowed for death of principals or other significant extenuating circumstances.

Some Commissioners have groused about quick turnover from time to time, have never done anything about it. Now, however, there seems to be good chance Commission will start rule-making aimed at putting brakes on. House Commerce Committee has been particularly critical of Commission policy, and just last week, Chmn. Harris (D-Ark.) opined that "many radio & TV stations have become speculative properties in the market place, and capital gains rather than public service to the community has become the watchword for some speculators who are broadcasters in name only" (see p. 10). At this reading, at least several Commissioners, perhaps a majority, seem to agree.

If FCC proposes new rules, it's expected to permit sale of stations owned less than 3 years only if: (1) Key owners or managers die or are disabled. (2) Owners don't have enough operating capital. (3) Other significant developments persuade Commission that owners must sell.

FCC has analyzed sales in 1957-59 period, come up with statistics showing what it apparently considers to be too many ownership shifts (for details, see p. 5).

**LICENSE-REVOCATION PROCEEDINGS AGAINST KWK:** Alleging treasure-hunt program "fraud" against radio KWK St. Louis, FCC started license-revocation proceedings in what could turn out to be a significant case—first important one worked up by its new Complaints & Compliance Div.

Commission said it will hold hearings in St. Louis, starting within 30 days unless good reason for delay is shown. FCC makes 3 charges:

(1) In 2 treasure-hunt contests—June 24-July 18 and July 25-Aug. 15, both this year—KWK didn't hide the prizes (\$1,000 & \$1,500) until late in the game.

(2) In "Bonus Club" contests, winners were to call special number within 60 seconds—but number was busy on regular station business half the time, so winner frequently failed to complete call.

(3) "Bonus Club" prizes—vacation trips & merchandise—weren't as represented.

All this appears to show, FCC said, that KWK was "perpetrating a fraud" on the public and that its license should be revoked.

Commission moved with unusual speed. On grounds that station was "willful" in its derelictions, FCC didn't first ask it to comment on charges or explain alleged "fraud." Also unusual is the setting of St. Louis as hearing locale, thus giving listeners easy opportunity to testify. An FCC examiner will preside.

Station is owned by Milwaukee Bcstg. Co., operator of radio WEMP Milwaukee. Major stockholders: Andrew M. Spheeris, pres., 650 out of 2,775 shares; Hugh K. Boice Jr., vp, 500 shares; John C. Gagliano, treas., 500 shares. Station mgr. is William Jones Jr.

Last revocation proceeding, against radio KIMN Denver (Vol. 16:26 p10) for alleged obscenity, vulgarity, etc., ended with FCC approval of a cease & desist order and no hearing. Chmn. Ford dissented, would have gone ahead with hearing. Speculation in Washington was that Commission decided against prosecuting KIMN because of concern that it would be charged with attempted "censorship" and because of difficulty in proving "obscenity." In St. Louis case, FCC seems to think facts are more nearly black & white—so far. After studying FCC charges, KWK denied wrongdoing, said that hearing would resolve allegations "to the satisfaction of the Commission."

**OUTSIDE REPORT ON TELEMEETER: NOT WORKING:** Latest look by outside researchers at Telemeter's close-to-chest pay-TV gamble in Toronto suburb Etobicoke (Vol. 16:38 p4) reveals that coin-in-slot shows may be slightly more popular than free-TV entertainment, but promoters are far from break-even point so far.

Telemeter subscribers average 2.4 hours per night watching pay-TV programs—mostly movies—Toronto's market research firm Elliott-Haynes Ltd. reveals in independent report to be released this week. Strictly comparable estimates of free-TV viewing in other Toronto environs weren't made, but national 7-11 p.m. sets-in-use average in Canada works out to about 2 hours.

Pay-as-you see outlay averages only 80¢ per subscriber per week vs. \$7.50 per subscriber needed monthly by Telemeter to balance its Etobicoke books, Elliott-Haynes estimated. Subscribers who actually watched pay-TV shows in the week surveyed (Oct. 10-16) shelled out average of \$1.22—but more than 1/3 of all subscribers didn't switch to Telemeter at all during the week, thus taking the final average down to the lower 80¢ figure.

"On this basis, pay TV is uneconomical," Elliott-Haynes vp J. Myles Leckie told us. "Telemeter is losing money on this kind of operation." And up until now, he added, Telemeter hasn't come up with an easy, inexpensive, sure-fire method of making coin-box collections. "The collection business seems to be an impossible problem to solve," he said.

Advance copy of report was given to FCC by Toronto firm at request of Broadcast Bureau lawyer Louis Stephens, who wants to put it in record of Hartford Phonevision pay-TV test proceedings (Vol. 16:44 p1). Stephens will meet this week with opposing counsel at hearing—applicant RKO General's W. Theodore Pierson & movie exhibitors' Marcus Cohn—to try to get stipulations accepting it. Deadline for windup filings in Hartford case is Nov. 15.

Sampling of 300 Telemeter subscribers was conducted by Elliott-Haynes in survey of Etobicoke, where 6,000 homes in mile-square area are equipped for pay TV at \$5 installation charge. Incomplete answers to series of questions reduced final sampling to 286.

Researchers found 34.3% watched no pay-TV in week-long stretch, when 8 movies were offered. Among rest of sample, 41.4% caught one show, 10.1% took in 2, only 2.5% paid for as many as 3. And survey turned up one unenthusiastic subscriber who had seen only one pay-TV program since Telemeter box was installed in Feb. Ratings for specific movies in 3-day period included 23.8% for Edna Ferber's "Ice Palace," just 4.8% for Marilyn Monroe in "Let's Make Love."

Subscribers weren't asked if they also watched free TV during polling periods—question which Elliott-Haynes plans to explore in follow-up study. Firm has conducted surveys of Telemeter operations for such clients as CBC, commercial telecasters, advertisers, agencies—but it made Oct. study on own hook.

Note: Details of findings of new Etobicoke survey are covered in 4-page report in Oct. issue of Elliott-Haynes publication "Telerating," available this week for \$5 from firm at 515 Broadview Ave., Toronto 6, Ont.

**FCC SEEKS STATIONS' FISCAL FINE PRINT:** Going back to pre-1952 practice, FCC is proposing to ask stations for more extensive financial data in their annual Form 324s. In a notice of rule-making, FCC asked industry comment by Dec. 9 on proposals which would require:

- (1) More over-all financial information, including non-broadcast investments, income & income taxes.
- (2) Analysis of notes payable, particularly those to former owners.
- (3) A "total cost" estimate, differing from present "original cost" system—to reflect fact that when stations are sold, new owners may reevaluate tangible broadcast property.
- (4) Breakdown of commissions between those paid to agencies & those to reps, segregation of FM income in AM-FM operations, total income from political broadcasting.
- (5) Breakdown (TV) of time sales, according to program sponsorship, announcements, participations.
- (6) More breakdown of expenses. For example, technical expenses would require figures on tubes, power & light, repairs & maintenance. Program expenses would show costs of program rights, remotes, production. General & administrative expenses would include payments for professional services, pension & welfare benefits, rent, taxes, losses on notes & accounts receivable.
- (7) Breakdown of number of employees, by departments.
- (8) Specific payments to owners, officers & directors—and what services they were paid for.

According to Commission, data sought is less voluminous than that required up to 1952 when the current "short form" was adopted.

**POLITICIANS VS. BROADCASTERS:** Performance by TV & radio in 1960 election campaign is one political issue which won't be settled by Nov. 8 election, despite virtually unanimous votes of confidence & thanks to industry for providing unprecedented "Great Debate" by Presidential candidates.

Sticky questions of political fairness on air by stations this year under Communications Act's Sec. 315, from which "Great Debate" series was exempted, will be unfinished business at FCC and on Capitol Hill long after inaugural next January. And it's odds-on bet that, as one result, NAB won't come close to winning its perennial legislative goal—outright repeal of Sec. 315—in 87th Congress.

There've been few complaints from public about TV & radio behavior in campaign. But broadcasters learned once again that no matter what they do in handling touchy election issues & candidates, they can expect to wind up with squawks from politicians that bias is showing & Sec. 315 is violated.

It's taken overtime equal-time work by FCC staffers & Senate "watchdog" investigators (Vol. 16:44 p3) to try to keep up with last-minute beefs by candidates & election managers who say they've uncovered plots by broadcasters to favor other side.

FCC counted 129 separate Sec. 315 protests (most of them involving stations' fairness & treatment of issues) at last week's end, following slow election-year start in Complaints Dept. (Vol. 16:43 p3). Total was higher than in 1956 Presidential campaign.

Fast footwork at FCC seemed to settle most complaints there at staff level, but others will give Commission post-election hangovers. Pile of Sec. 315 reports from stations in offices of Chmn. Yarborough (D-Tex.)

of Senate Commerce Freedom of Communications Subcommittee grew with each mail as Election Day approached. Subcommittee counsel Creekmore Fath told us he had already helped settle "100 complaints more or less" by telephone calls to stations, but that he hadn't had time to count how many reports still were unprocessed.

Dossiers on station reports will spice "watchdog" unit's report, due by next Jan. 31. And Fath said Subcommittee may call hearings late this month or in Dec. for broadcasters involved in some of cases.

Issues raised by complaints included these:

When is a political speech non-political? White House tagged President Eisenhower's Commonwealth Club address in San Francisco Oct. 20 as "non-political." Cal. Democrats said it was blatantly political, demand equal-time on local stations to answer it. FCC ruled equal-time rules didn't apply since President wasn't running for office. But Commission also ruled (in decision which elated staffers because there was no party-line split) that stations must observe other Sec. 315 provisions "for the broadcast of opposing viewpoints of public importance."

Can stations get away with Presidential endorsement? Republicans protested long & loud when radio WMCA N.Y. came out editorially for Democrat John F. Kennedy (Vol. 16:44 p10). GOP National Chmn. Thruston B. Morton demanded equal time. In reply to query from FCC, WMCA said it had offered time to Republican ticket (but got no response), that other Republican spokesmen already had had political innings on station (see p. 7).

Should stations censor political commercials? Republicans called on TV & radio to cancel 5-min. TV film starring Kennedy & retired shipping clerk in discussion of medical aid for aged. "Worse than rigged TV shows," GOP said. Democrats protested Republican spots on West Coast featuring actor, represented as reporter, in discussion of Kennedy's defense-contract plans. "Detestable," Democrats said.

How far can political animated cartoons go? KPIX San Francisco turned down three 60-sec. Republican cartoons featuring Beatnik-type & bucktoothed characters represented as Kennedy enthusiasts. (see p. 11). Other Cal. stations accepted them. "Extremely low level [and] childish viciousness," Democrats cried.

Can unidentified broadcasters speak for candidates? Voice of gen. mgr. Thad Sandstrom of WIBW-TV Topeka was used in re-election commercials for Rep. Avery (R-Kan.), House Commerce Committee member. Avery's Democratic opponent Marshall G. Gardiner said this was "violation of the spirit of Sec. 315." Sandstrom retorted that Gardiner's spots employed voice of newscaster Don Harrison. Sandstrom also volunteered to be recorded voice for Gardiner.

When aren't news shows exempt from Sec. 315? N.J. Assembly Democratic candidate James N. Fazio demanded equal time on WNTA-TV Newark-N.Y. because Republican incumbent Joseph F. Carlino turned up on "Between the Lines" interview-type show. FCC ruled that Congress intended such programs to be free from equal-time requirements so long as they are regularly-scheduled & bona fide.

**FAA, FCC & TOWERS—INDUSTRY COMMENTS:** FAA's effort to take over FCC's tower approval-&-disapproval function (Vol. 16:43 p4) was greeted with the expected reaction as interested groups filed comments in FAA's rule-making proceeding.

Broadcasters were vigorously con, aircraft operators strongly pro—and there were some groups between, which asked for refinements or relaxation of some proposals.

Broadcast industry agreed that FAA doesn't have legal power to usurp FCC's role, that proposed restrictions are much too severe in any case, that present system works well for both TV-radio & aviation.

There was substantial objection from electric power companies, too. They foresaw problems getting approval of towers for high-voltage lines, smokestacks, heliports, etc. Some small airport operators were worried, fearing that tight rules would prohibit use of their facilities. Dept. of the Air Force "strongly endorsed" proposals, while Navy & Army had primarily technical comments.

Virtually all TV-radio groups plumped for a joint govt.-industry committee to work up satisfactory procedures under FCC's wing. Group would include representatives of FCC, FAA, TV-radio and aviation.

Broadcast interest filings included: Assn. of Federal Communications Consulting Engineers, ABC, NBC, WHAS-TV Louisville, MST, Federal Communications Bar Assn., AT&T, Storer, NAB, Special Industrial Radio Service Assn. Aviation groups included: National Aviation Trades Assn., Air Transport Assn., Air Line Pilots Assn., Aircraft Owners & Pilots Assn., National Business Aircraft Assn., Airport Operators Council.

FAA will now study comments—including FCC's opinion that it must retain authority—then come up with decision.

**NCTA GOES OUTSIDE INDUSTRY FOR LEADER:** First paid pres. of National Community TV Assn. (at salary said to run about \$50,000) will be man who has had no previous connection with broadcasting industry—but who's had long experience in trade organizations.

He's William G. Dalton, 51, pres. of N.Y.'s Tyrex Industries Inc. and National Rayon Institute, who'll come to Washington to take over new NCTA job Jan. 1. His selection from among dozen prospects (Vol. 16: 39 p1) was confirmed last week by NCTA sources.

Dalton is familiar with Washington scene from World War II days, when he worked there for National Assn. of Manufacturers. Prior to joining Tyrex in 1958, he was pres. of American Society of Assn. Executives. He also has been leader in National Association of Refrigerated Warehouses and American Warehousemen's Association.

## The FCC

### More about

**STATION SALES BRAKES:** Analyzing recent station sales trends (see p. 1), FCC came up with these figures:

- (1) Sales averaged 555 yearly during 1957-59.
- (2) In 1958, AMs constituted 83%, FMs 9%, TVs 8%. In one out of 10 cases, more than one station was involved.
- (3) In 47% of the time, the seller had owned his properties more than 3 years; in 35%, 1-to-3 years; in 11%, 6-to-12 months; in 7%, less than 6 months.
- (4) All-cash purchases were involved in 35% of the cases; no cash in 4%. In 42%, less than 30% of the price was in cash.

(5) In the Jan. 1-Oct. 1, 1960 period, the FCC acted on sales of 287 AMs, 45 FMs, 23 TVs; 75 of these were all-cash, the balance involving installments. In 67 cases, station had been owned less than a year, 129 less than 3.



Parley on payola rules under the new Harris-Pastore Act was conducted Nov. 4 at FCC by Broadcast Bureau chief Harold G. Cowgill for representatives of NAB & networks, but they won no commitments on Commission interpretations of the law. FCC similarly gave no promises to TV film producers who discussed plugola problems at an earlier Commission-industry conference (Vol. 16:44 p8). NAB-network spokesmen threw out these suggestions for FCC to think about: (1) Payola-plugola bans shouldn't apply to material recorded prior to Sept. 13, effective date of the new law. (2) Pending Commission formulation of definitive rules, broadcasters shouldn't be in peril if they follow a 27-example list of prohibited & permissible practices prepared by the House Commerce Committee. (3) FCC should conduct general rule-making proceedings—and NAB & networks will be ready within 3 weeks to submit detailed recommendations for them. (4) In any event, FCC should get set to make expeditious rulings on payola questions as they arise—much as Commission does now in Sec. 315 equal-time cases.

CPs granted: Ch. 13, Twin Falls, Ida., to Sam H. Bennion • Ch. 27, Portsmouth, Va. to the Christian Bestg. Network • Ch. 15, Poplar Bluff, Mo., to Turner-Farrar.

**WHITHER FCC PROGRAM HEARING?** It's expected FCC will back up its examiner James Cunningham in his ruling that MCA and the "plug merchants" should be forced to testify in its network program investigation. They had refused to take the stand in the recently completed Hollywood film hearings.

Thereafter, it can be anticipated the courts will get it—probably a federal district court in Los Angeles or Washington, then the Court of Appeals. And, if there's a Constitutional question, as MCA, *et al.* assert there is, the U.S. Supreme Court will be asked to look at it. So—windup of the phase will probably run 6 months or more.

Last week, an appeal from Cunningham's ruling, similar to that filed by MCA, was submitted to the Commission by Dick Fishell & Associates, through Beverly Hills attorney Oliver B. Schwab. They allege that: (1) They've been denied "effective representation of counsel." (2) The proceeding is outside the scope of the network study authorized by FCC. (3) They'd be required to divulge confidential business information which wouldn't be kept confidential. (4) The subpoenas were vague & ambiguous.

A big FCC problem is whether to go ahead with other phases of its network-programming inquiry, pending resolution of the reluctant-witness problem. Chances are that it will proceed—reluctantly. The major job ahead is to get testimony of network executives, receiving their explanations & comments on all aspects of the "program-selection process" now on the record. Another possible source of testimony is the advertisers themselves.



U.S.-Mexican TV allocations discussions in Mexico City (Vol. 16:43 p2) produced excellent results, with a "high degree of cooperation" from the Mexicans, according to FCC Comr. Rosel Hyde, who headed the U.S. contingent. He reports that approximately "3 dozen" more vhf assignments were agreed upon—about half for each nation—in the strip 250 miles on each side of the border. All of them comply with existing separation standards, he said, so no problems of final agreement are anticipated. FCC must approve the assignments, then the State Dept. will be asked to negotiate an exchange of notes ratifying the agreement.

FCC's Boston Ch. 5 *ex parte* decision against WHDH-TV (Vol. 16:29 p1) still stands, the Commission stated last week, in denying the station's petition for a rehearing. The Commission said that WHDH-TV's pleading offered nothing to change its "evaluation of the direct & circumstantial evidence" of wrongdoing on the part of WHDH-TV principals. FCC also said it found no merit in the petition's claims of improprieties by its opponents. Comr. Lee dissented, stating that the Commission should have waited for final clarification of the case by the Court of Appeals. The Court had set aside the FCC's decision, rebuking it for not maintaining the status quo ordered by the Court (Vol. 16:42 p13). One party is dropping out of the case: Du Mont Labs' parent Fairchild Camera & Instrument Corp. is informing the Commission that it's not interested in participating further. The Commission, in a footnote, rapped WHDH-TV for its tactics. "We are not impressed nor do we condone," it said, "that portion of the WHDH reply to oppositions which intimates that the Commission's general counsel suppressed evidence which would have cast discredit on Du Mont, Greater Boston & Massachusetts Bay. The pleading relies entirely on innuendo, and is devoid of specific allegations as to what facts were suppressed. We do not believe that the tactic of insinuation, without quite accusing opposing counsel of such unethical & improper conduct, is calculated to inspire confidence in the balance of petitioner's pleading."

New England uhf channel shifts have been finalized by FCC to permit the addition of commercial Ch. 26 in Hanover, N.H. The efforts of WATR-TV (Ch. 53) Waterbury, Conn. to shift to Ch. 20 must await the outcome of a show-cause order which would require ETV grantee WEDH (Ch. 24) Hartford to find a site at least 20 miles from WATR-TV's proposed site.

**Uhf translators granted:** Ch. 78, Santa Rosa, N.M., to Santa Rosa Chamber of Commerce • Ch. 77, Palm Springs, Cal., to Palm Springs Translator Station Inc. • Ch. 72, Trancas, Cal., to Translator Systems • Ch. 80, Pagosa Springs, Colo., to Pagosa Springs TV Assn.

Grant of KFDM-TV (Ch. 6) Beaumont, Tex. was reaffirmed by FCC in a "second supplemental decision" following a further hearing ordered by the Court of Appeals last year. The Enterprise Co. was denied. In last week's decision, Comrs. Ford, Cross & King didn't participate, and Bartley dissented.

License renewal of WXEX-TV (Ch. 8) Richmond-Petersburg has been contested by South Side Va. Telecasting Corp., which petitioned FCC for reopening of the station's hearing record. South Side said it wanted to show evidence of *ex parte* influence in the grant.

Miami Ch. 10 "influence" decision remained unchanged last week as FCC turned down a petition by North Dade Video Inc., which had asked for rehearing, reconsideration & oral argument. Comr. Lee dissented, while Comrs. Craven & King didn't participate.

Ch. 10 Albany should remain in the hands of WTEM, FCC indicated last week by instructing its staff to draft a decision denying the petition for reconsideration that had been filed by opponent Veterans Bestg. Co.

**Station sales approved by FCC:** KPAR-TV (Ch. 12) Sweetwater, Tex., to Texas Key Bestrs. Inc. for a 10-year lease at \$799,440 (Vol. 16:42 p11). KBLR-TV (Ch. 10) Goodland, Kan., to the Standard Electronics div. of Reeves Instrument which assumed some \$200,000 in liabilities.

## Programming

**THE ELECTION—BIGGER, EARLIER, FASTER:** That's the 3-network promise to viewers this year on what may well prove to be the season's biggest TV attraction. By several standards, election coverage will set records:

**Sales:** CBS and NBC have achieved a sell-out position on their election reporting. CBS's coverage has, for months, been sold to Westinghouse. NBC's coverage is multi-sponsored: Cowles magazines, Brown & Williamson, Field Enterprises, B. F. Goodrich, Thos. J. Lipton div. of Lever Bros., Sandura, and Remington-Rand shavers. ABC's coverage was, late last week, only partly-sold (to Continental Oil and Union Carbide for participations.) But, with a plethora of preemptions & stepped-up costs for fancy production, it was doubtful that election coverage would be an in-the-black operation for any network.

**Speedy predictions:** Networks will be making computer-derived guesses on the election outcome almost as soon as there's any kind of voting sample. ABC stated flatly last week that "the next President of the U.S. will be named" by John Daly, with a helping hand from Univac, in his 6-6:15 p.m. newscast. (In 1952, Univac called the turn for Eisenhower within 4 electoral votes 2 hours before the polls closed. ABC thought Univac had flipped its electronic lid, learned later it was right on target). CBS, which is using an IBM 7090, will probably launch a prediction into orbit as soon as 1% of the nation's total votes have registered—possibly between 6:30-7:30 p.m. NBC, using an RCA 501, expects to name the new chief executive when 5% of the vote from "any 10 states" has been fed to the computer.

**Manpower & facilities:** A record crop of commentators, technicians, tabulators, etc. will be assembled by the networks to work on the election shows. At latest count, the 3-network figure stands at nearly 3,000. Each network has set up elaborate studio preparations, prepared to dazzle viewers with everything from the latest in electronic computers (Vol. 16:43 p13) to giant state-by-state panoramic electronic boards. Each will use its biggest studio, with ABC utilizing its TV-1 at West 66th St. N.Y. hq, CBS using studio 65 on West 26th St., and NBC employing giant 8-H in the RCA Bldg.

**Export coverage:** With worldwide attention centered on the election, there'll be considerable cooperation between U.S. & foreign networks. Canada's CBC will have its own staff in NBC's 8-H studio, and will start its first transmissions at 9 p.m. BBC-TV plans to open its London transmitters at 6:30 a.m. Nov. 9 with a full report on the previous night's election. NBC will feed a 2-min. segment of newsfilm of the winning candidate to London via the trans-Atlantic cable system so that British viewers may have a look at the new U.S. President as they breakfast on their kippers & tea.

\* \* \*

Station-group election coverage will be provided to audiences of the 11 TV-radio outlets of Westinghouse Bestg. Co. by means of an elaborate direct-line telephone system. Although WBC's 5 TV stations are all network affiliates (and will thus receive various network coverage service), WBC has moved its Washington news bureau temporarily to city-owned radio outlet WNYC N.Y. where bureau news chief James L. Snyder will coordinate reports of voting trends in N.Y. state. Other area reports will be bolstered by correspondents from non-WBC markets and "immediate international reactions" from WBC correspon-

dents in London, Paris, Rome, Stockholm and Bonn. WBC has even stationed a direct-wire correspondent at Kennedy hq in Hyannisport, Mass.

\* \* \*

Independent stations are planning, for the most part, to stick to their basic program patterns (syndicated telefilms, off-network reruns, movies, local shows) on election night, sandwiching election results in capsule form between entertainment segments. The plans of the 4 N.Y. non-network channels are typical: WNEW-TV will alternate 30-min. rerun episodes from the *Award Theater* package with 10-min. news segments reporting the national & state races, starting at 8 p.m. WNTA-TV plans a "double exposure" technique, whereby a minimum of 16 election capsules prepared by a news staff headed by Mike Wallace will be televised during program intermissions, and bulletins will be flashed on the lower third of TV screens during regular programs. WOR-TV will feature 1-min. election bulletins every half-hour, starting at 7:30 p.m. in its regular shows, with longer news segments after 10:30 p.m. and a midnight-2 a.m. complete analysis of the election. WPIX, which has sold its election package to Florsheim Shoe Co., will begin its coverage at 7:30 p.m. with a 5-min. summary fed from the editorial room of the *N.Y. Daily News*, and will have 5-min. roundups after each half-hour of regularly scheduled programs thereafter, with continuous coverage beginning at 11 p.m.

\* \* \*

Largest communications hookup in Election Day history will speed TV-radio-newspaper news & picture coverage. AT&T is providing 10,000 miles of additional TV cable—for a total of 94,500 miles to permit telecasts to 317 U.S. cities. AT&T also is furnishing 100,000 miles of additional teletype circuits to service the nation's 3,500 TV & radio stations and 1,750 newspapers.

\* \* \*

Stations will use computers to speed local-level election coverage. Examples: WOOD-TV Grand Rapids, Mich. has installed an IBM Ramac; state & local tallies will be aired at intervals during the evening. KING-TV Seattle, Wash. will also use a Ramac to supplement NBC-TV coverage, and 5-min. reports will be aired throughout the evening.

\* \* \*

Local electronic "brain" will be pressed into service by WISN-TV & WISN Milwaukee to give their audiences early predictions on the outcome of Wisconsin as well as national races. TV-radio teams will report direct from the computer lab of A-C Spark Plug's nearby Oak Creek plant. The computer has been fed with an estimated quarter-million bits of Wisconsin political data dating back to 1848.

\* \* \*

Sizable local task forces of newsmen will be used in a number of cases. WCCO-TV Minneapolis-St. Paul will have its own team of more than 150 reporters handling comments, predictions, victory statements and general information about local races. WGN-TV Chicago boasts a news force of more than 200, who will feed information from the City News Bureau, Republican & Democratic hqs and various election districts in the state.

\* \* \*

Voice of America will use 46 domestic & overseas transmitters—marshalling power equivalent to 60 top U.S. radio stations—to broadcast continuous coverage of election returns here around the globe.

**3 Surveys re the 4 Debates:** "It may be that the series of 4 televised debates has been a decisive factor in the 1960 campaign," said George Gallup last week in announcing that voter support for Kennedy & Nixon (50-50 in early October) had shifted to 53-47 since the debates. "Gallup Poll evidence," he added, "is that an estimated 85 million adults watched at least one of the 4 debates."

Two other survey houses had footnotes to add to the historic debates last week. A. C. Nielsen reported that a socio-economic breakdown of the audience for the initial (Sept. 26) Nixon-Kennedy debate showed "a larger proportion of smaller, older and higher-income families present than is typical." Details: 62% of the 1-or-2-member TV-owning families were tuned, as compared with 58% of families with 3-or-more members. Over 65% of the TV-owning families with a total income of \$8,000-and-over were present in the debate audience, and only 53% of the TV families earning less than \$5,000 were viewing.

And Sindlinger & Co. found that the percentage of home viewers increased markedly with each of the 4 debates—from 82.4% of total audience for debate No. 1 through 89.7% (2) & 96.5% (3) to 97% for No. 4. Conversely, out-of-home viewers declined from 17.6% to 3% over the span of 4 debates. Radio experienced a reverse trend: Its home audience declined from 50.6% of total listeners to 45% by debate No. 4. Home listeners were in the razor-thin majority for No. 1 (50.6%) & 2 (51.2%), in the minority for 3 (49.1%) & 4 (45%).

\* \* \*

"Great Debate" in 1964 will be welcomed by John F. Kennedy if he is President and runs for the office again, the Democratic candidate said last week. Kennedy told reporters in Philadelphia that a repeat of the 1960 series would be a good idea, and that, especially for a Democrat, the joint TV appearances are the best political format for getting ideas across to voters. Neither Kennedy nor Vice-President Richard M. Nixon responded directly to telegrams from the Radio-TV News Directors Assn. asking for advance commitments for 1964 debates, however.

■ ■ ■

**WMCA's Equal-Time Hassle:** A flurry of telegrams—from Republican leaders to FCC—and back to WMCA N.Y.—followed that station's official radio endorsement of Kennedy Oct. 26-27 (Vol. 16:44 p10):

Republican State Committee Chmn. Judson Morehouse & campaign mgr. Lyle W. Hornbeck to FCC: "We demand a statement on behalf of Nixon in reply to the partisan electioneering statement made by Nathan Straus under the guise of an editorial."

FCC to WMCA: "We would like your comments with respect to the complaints [as quoted in the FCC wire] by return telegram."

Sounding extremely puzzled, WMCA explained in a 4-page telegram that it had sent a letter to Nixon prior to the broadcast stating: "We would like to place the facilities of WMCA at your disposal at any time which would be convenient for you for commentary or reaction which you or Ambassador Lodge might have." Neither candidate "in any way, shape or form" responded to the invitation. WMCA also pointed out that Attorney-Gen. Louis Lefkowitz & Gov. Nelson Rockefeller were heard on the *Barry Gray Show* the night of the first editorial; "they had 90 minutes in which to respond to & comment upon our 10-min. endorsement... "We believe that we have gone to great lengths to provide fair & balanced treatment . . . We have exceeded all requirements in serving the public interest."

TV penetrates 73% of all farm homes, radio 98%, notes Oct. 31 *Sponsor* in its 9th annual farm report. Other findings: 165 TV stations & 1,472 radios broadcast farm news & information keyed specifically to the farmer • Gross income for farmers in 1959 totaled \$46.3 billion, the projected average for the next 5 years is \$50 billion annually • There are 4 million farms today vs. 6.5 million at the end of World War I. • Although the number of farms is dwindling, the increase in farm size & value has contributed to "a greater penetration of equipment ownership" and is attracting more advertisers for general products.

Evaluation of mass media is a proper responsibility of schools & teachers, to "help students to distinguish & discriminate among the aspects of our culture being created today" by TV, radio, motion pictures, newspapers and magazines, MPAA Pres. Eric Johnston told the Wis. Education Assn. last week. Describing mass media as an "inescapable & omnipresent" educational force, Johnston declared: "Let the student understand that there is educational value to be found in the mass media. Help him to find it. Help him to select it. Help him to distinguish it from what is meretricious & of little value. Help him to develop good standards of judgment & a keener sense of appreciation of quality."

"The Iceman Cometh," Eugene O'Neill's marathon-length, earthy drama, will make its appearance in NTA's *Play of the Week* series starting Nov. 14. Taped last summer, "Iceman" will be shown as two 120-min. segments, and will be seen at a later-than-usual time period (10:30 p.m. Mon.-Sat.; 10 p.m. Sun.) because of "the mature qualities of the production." The cast will be headed by Jason Robards Jr., whose handling of the show's lead in an off-Broadway production gained him stardom. NTA plans "eventually" to distribute a high-quality kinescope version of the show as a 4-hour art-theater feature film.

WBKB Chicago & BBC are jointly producing a filmed documentary on the Windy City which the ABC outlet & British network will premiere in early-1961 telecasts. Thereafter it will be distributed for exhibition via TV, theaters and schools in the U.S. & Europe. The 60-min. Chicago "portrait" will utilize the combined technical & staff resources of both WBKB & BBC, will be produced & directed by BBC's producer-dir. Denis Mitchell.

Documentary on migratory labor has been produced by Crown Stations (KING-TV Seattle, KGW-TV Portland, Ore., KREM-TV Spokane) as the 5th in a series of specials started in June 1959. Six months in the making, the 60-min. film, "Bitter Harvest," explores problems on migrant farm-labor families in the Pacific northwest. It has been previewed by govt. officials at a Washington showing under auspices of the President's Committee on Migratory Labor and by a San Francisco convention of state health officials.

The National Assn. of Social Workers has commended ABC-TV's daytime series portraying group psychotherapy, *Road to Reality* (Mon.-Fri. 2:30-3 p.m.), for helping the public to understand methods of healing the emotionally ill. The Assn. of Medical Group Psychoanalysts also endorsed the show.

TIO's newest full-page magazine ad features photos of Shakespeare, Alexandre Dumas and Winston Churchill under the headline of "Three Scriptwriters for November." The campaign—to acquaint intellectuals and community leaders with a side of TV they frequently seem ignorant of—is appearing in *Atlantic*, *Harper's*, *The Reporter*, *Saturday Review* and *Harvard Business Review*.

## Networks

**Guterma's Chickens:** Ex-MBS Pres. Alexander L. Guterma was sentenced to 8 months to 2 years in jail and fined \$10,000 last week, on charges that he failed to register as a foreign agent when he made a \$750,000 deal to use the radio network for Dominican propaganda. In Washington's U.S. District Court, Judge Joseph R. Jackson ordered him to serve the prison term after he completes the nearly-5-year term he is now serving in Atlanta Federal Penitentiary for conspiring to conceal SEC-required facts about F. L. Jacobs Co., which he also headed.

Guterma first pleaded no-defense to charges in the Dominican propaganda case, then tried to switch his plea to not guilty (Vol. 16:30 p9). His former MBS colleague Hal Roach Jr. was fined \$500 after he pleaded no-defense in the foreign-registration case (Vol. 16:26 p12).

Woes for Guterma piled up last week. He had no sooner been sentenced in Washington than a N.Y. federal grand jury returned a new indictment against him. Guterma & 5 other men were accused of using the mails for illegal sales of United Dye & Chemical Corp. stock.

Five major product categories increased network gross time billings in the first 8 months of 1960, against the like period a year ago, TvB reported last week. Marked increases were shown in the following: household furnishings increased 69.6% (\$3,942,596 vs. \$2,324,634) • apparel, footwear & accessories up 54.5% (\$5,061,612 vs. \$3,275,739) • insurance up 38.5% (\$9,139,035 vs. \$6,600,546) • beers & wines showed a 33% rise (\$5,294,125 vs. \$3,980,557) • candy & soft drinks up 31.3% (\$9,816,699 vs. \$7,476,990).

### NETWORK SALES ACTIVITY

#### ABC-TV

*The Untouchables*, Thu. 9:30-10:30 p.m., part. eff. Dec. *Elgin Watch* (J. Walter Thompson)

*American Bandstand*, Mon.-Fri. 4:30-5 p.m., part. eff. Jan. *Warner-Lambert* (Lambert & Feasley)

#### CBS-TV

*Thanksgiving Parade Jubilee*, Thu. Nov. 24, 10-11:30 A.M., full sponsorship.

*Campbell Soup* (Needham, Louis & Brorby)

*New York Philharmonic West Berlin concert*, Thu. Nov. 24, 5-6 p.m., full sponsorship.

*Ford* (Kenyon & Eckhardt)

*New York Philharmonic specials*, Sun. Jan. 22 & Feb. 26, 4-5:30 p.m., full sponsorship.

*Ford* (Kenyon & Eckhardt)

*The Influential Americans*, Sun. Nov. 13, 9-10 p.m., onetime special, full-sponsorship.

*General Electric* (Young & Rubicam)

*What's My Line?*, Sun. 10:30-11 p.m., alt. week sponsorship eff. Dec. 25.

*Allstate Insurance* (Leo Burnett)

#### NBC-TV

*Election Night coverage*, Tue. Nov. 8, 7:30 p.m.-end, part.

*Brown & Williamson Tobacco* (Ted Bates)

*Field Enterprises* (Keyes, Madden & Jones)

*B. F. Goodrich* (BBDO)

*Thomas J. Lipton* (SSC&C)

*Sandura* (Hicks & Greist)

*Remington Rand electric shaver* (Y&R)

*The Deputy*, Sat. 9-9:30 p.m., part. eff. Jan. 7.

*Bristol-Myers* (Young & Rubicam)

**BURGEONING BBC:** Britain's BBC-TV is now giving commercially-sponsored ITA a good run for the money, and currently attracts "about 40% of the regular audience as against 60% for ITA." So we are informed by Ronald Waldman, who heads BBC's international sales & program purchasing operations. In N.Y. last week, Waldman told us that what makes BBC particularly happy is that its scorecard looks even better after examination of the composition of its "peak time" (7-10:30 p.m. there) programming.

"Since 1955, BBC-TV has programmed exactly 33.4% of its peak time with what you'd consider public-affairs programming. This excludes all drama, even Shakespeare. By comparison, the ITA has programmed public-affairs shows in about 9% of its peak time," said Waldman. "We're making audiences look more & more to serious programming for their entertainment."

Waldman feels BBC's export-program position in the U.S. market will improve. For one thing, U.S. audiences, he believes, will become more conditioned to prime-time programming that deals with world problems (such as the *Winston Churchill Memoirs* series due on ABC-TV, which is now being filmed in an active co-production deal with BBC). For another, Waldman believes U.S. networks have created "an electronic program gap" by placing 80% of their nighttime programming this fall in the hands of outside film producers, and audiences will tire of such fare.

Waldman's biggest electronic gap-filler at the moment is the purely-entertainment *Maigret* series (Vol. 16:44 p18), a 60-min. adult-appeal detective show.

#### BBC's Technical Breakthroughs

BBC is quite aware that the basis of the international program market is film, partly because of its flexibility in production, but mostly because it has become standard throughout the world. To solve the problem of "producing electronically for a worldwide film market," BBC turned to what Waldman calls "our boffins" (i.e., scientific development team). Two major breakthroughs were achieved in a matter of months: (1) BBC can now shoot tapes on British standards (405 lines, 50 cycles) and tape-convert electronically to U.S. (525 lines, 60 cycles) and other TV standards. (2) High-quality 16-mm & 35-mm kinescopes that are "at least 30% better than the best we had before" can be produced by BBC from its own tapes. "Now," Waldman claimed, "we can service our programs to 100% of the world TV market."

In addition to co-production deals with NTA and NBC's CNP for 30-min. series, BBC is also mapping a 30-min. adventure series, *Zero One*, as an international co-productions with MGM (which owns a studio in Britain).

Waldman makes a strong point of the fact that BBC, although it does not accept commercial sponsorship and exists primarily on set-license revenues (over \$87 million annually), is not a broadcasting branch of the British govt. "If anything, we are a sort of pay-TV system. We are completely objective & extremely independent politically. Our revenues & profits are plowed back into operations & programming, and we are not dependent upon direct govt. support," Waldman said. "In our program export operations, we are out to be 'commercial' in the sense of making money, not out to propagandize. Our overseas TV program sales were up 120% in the first quarter of 1960 as compared with the same period the year before. We've sold this year about 550 program episodes in 28 countries. Next year we hope to do even better."

Networks may have to pay rent for parade-route stands used for TV coverage of the Presidential inaugural next Jan. 20. A local bipartisan pre-inaugural arrangements committee in Washington has recommended that CBS, NBC and ABC be assessed \$10,000 apiece for the special facilities, which will cost \$40,000 to construct. The money would be refunded if inauguration income from tickets, etc., should exceed expenses. But the networks are expected to protest the proposal, arguing that one news medium shouldn't be charged for facilities if others aren't. And CBS's Lewis W. Schollenberger, speaking for radio & TV correspondents' galleries at the Capitol, said that in 1957 TV crews in the stands took up less room than other newsmen, newsreel & still photographers and spectators. The extra revenue-raising gimmick was one of several suggested in the committee's report for the inaugural general chairman, who'll be named by the next President. In 1957 there was a \$166,372 inaugural deficit.

Texaco "custom-made network" of 108 radio outlets, including both network affiliates & independent stations, will carry the Metropolitan Opera live, starting Dec. 3. The series, with which Texaco has been identified for the past 20 years, will contain the usual intermission features, and will be narrated by Milton Cross. Explained G. H. Johnston, packager of the series: "The tendency on the part of many network-affiliated stations to broadcast the programs on a delayed basis, oftentimes inconvenient to listeners, gave rise to the formation of the new hookup."

Outside-U.S. network sale was scored by ABC-TV last week as the first major deal between a U.S. advertiser & the Central American TV network, which ABC represents and in which it has an interest. Sponsor: Nestlé ("Nido" powdered milk and "Maggi" dehydrated soups). Program: A Spanish-dubbed, 26-week cycle of *Panic*, first half of a 52-week order. CATVN includes outlets in Guatemala, El Salvador, Costa Rica, Honduras and Nicaragua.

#### Foreign

Mexican commercial standards are enough to turn a U.S. adman's hair gray. Fuller & Smith & Ross vp Norval LaVene, back in his Los Angeles office last week after a series of conferences with FSR's Mexico City affiliate agencies, Sur Publicidad and Robert Otto Co., gave some details. In the interior of Mexico, he reported, radio stations sometimes run as many as 7 commercials back-to-back, and "it's perfectly all right for ads for 2 competitive soft drinks to run in sequence." In small villages, he also reported, 4 or 5 families band together to purchase a TV set, then charge admission to still more families to watch it. Viewers-per-set thus reach "startling" totals, he said.

Italian version of U.S. debates is making a hit with both viewers & politicians. In previous Italian elections, TV was denied to all parties as a campaign outlet. Inasmuch as the only TV network in Italy is govt. controlled and is considered partial to govt. statements, opposition politicians have claimed that the ban was unfair. The new 30-min. program, *Tribuna Elettorale*, is patterned after *Meet the Press* and offers the first equal-time opportunity for TV political debating in Italy's history.

Sweden will have a million TV sets by year's end, the Swedish-American News Exchange predicts. This compares with 100,000 at the beginning of 1958 and 864,000 at mid-year 1960. About one-third of sets sold in Sweden are domestically made, the majority of the remainder coming from Netherlands & West Germany.

## Stations

**Predictions by Harris:** Regulation of networks, and curbs on trafficking in TV & radio licenses will be top items on the investigative agenda of the upcoming 87th Congress, House Commerce Committee Chmn. Harris (D-Ark.) warned again last week.

Elaborating on broadcasting issues that he cited in a filmed talk to NAB's fall conferences (Vol. 16:42 p9)—and in an earlier speech to the Ark. Ecstrs. Assn. (Vol. 16:33 p3)—Harris said domination by networks of programming, and quick-profit station sales are "serious problems."

Harris stressed these points in a Nashville speech at the 9th annual country music festival celebrating the 35th anniversary of *Grand Old Opry*, which originates there at WSM-TV & WSM:

"Today, we are faced with the fact that when it comes to TV, network programming rather than local programming is the order of the day. In TV, network affiliation is the important thing which is prized highly and, if necessary, fought over in the courts . . .

"Further, we must face the fact that many radio & TV stations have become speculative properties in the market place, and capital gains rather than public service to the community has become the watchword for some speculators who are broadcasters in name only.

"Under these circumstances, Congress will have to re-examine some of the premises on which our American system of broadcasting is based.

"Congress must ask & answer such questions as: What happens to the opportunity for local self-expression on radio & TV stations? What happens to the need for developing & using local talent in radio & TV programming? What happens to programs designed to serve minority groups & special tastes?

"Congress will have to determine whether the networks shall be held accountable as co-trustees, together with individual broadcast licensees, in serving the public interest. Congress will further have to decide what limitations should be placed on the transferability of station licenses."

Harris had nothing but praise for *Grand Old Opry*, "one of the oldest—if not the oldest—uninterrupted commercial radio programs." He pointed out that the show "is one of the few regularly scheduled programs broadcast by a network [NBC], which does not originate either in N.Y. or Hollywood." He added that he was aware that "some broadcasters have been outstanding in rendering service to their communities, and I am happy that WSM is prominent among them."

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Sale of KGUN-TV (Ch. 9) Tucson to owners of WEHT (Ch. 50) Evansville, Ind. for \$1.9 million by H. U. Garrett, Tom E. & Tolbert Foster and associates, has been confirmed by broker R. C. Crisler, who arranged the deal. Crisler also was broker when Cowles interests sold WHTN-TV (Ch. 13) Huntington, W.Va. for \$2 million to Reeves Bestg. & Development Corp. (Vol. 16:43 p11).

Sales of radio WBNX N.Y. and WFAB South Miami, Fla. to companies headed by Richard Eaton have been approved by FCC on the condition that he disposes of other radio properties to keep within the limit of 7. The price for WBNX was \$680,000 plus \$60,000 for not competing within 50 miles for 3 years; for WFAB, \$70,000.

Upcoming KIFI-TV (Ch. 8) Idaho Falls, Ida., with a January target, has signed for NBC-TV affiliation.

**Too Many Cookes at KRLA?** Canadian broadcaster Jack Cooke's involvement in KRLA Pasadena, which is owned by his brother, Don, was probed last week by FCC, at a Los Angeles hearing for renewal of license (Vol. 16:44 p11). While Jack Cooke conceded that Broadcast Equipment Corp., which he owns, loaned \$553,000 to his brother to help him buy the station (previously KXLA) for \$879,-000, he pointed out that this arrangement had been approved by FCC when it approved the transfer of ownership to Don Cooke May 1, 1959.

The law forbids ownership or control of a U.S. station, by non-citizens. Jack Cooke, however, does own the physical assets of the station, for which he receives \$90,000 a year rent from his brother. This arrangement too, had been approved by FCC.

Under questioning, the Canadian admitted that when the station had financial troubles last year, he loaned his brother \$50,000; he has been involved in programming matters, serving for a time as program dir., and also as salesman. He has also helped Donald with budgetary matters, principally on balance sheets, he said.

Jack Cooke testified that a special bill, adopted at the last session of Congress, enabled him to file application for citizenship without the usual waiting period. The bill was introduced by Rep. Walter (D-Pa.) and signed by the President Sept. 14. He added that he was always looking for U.S. businesses, with a particular eye for electronic & plastics companies and publications. He estimated his net worth at between \$15 & 20 million. Owner of CKEY Toronto, several Canadian publications, a plastics company, Strand Records and an interest in the Continental Baseball League, he was an unsuccessful bidder for the Detroit Tigers, Philadelphia Athletics (before they moved to Kansas City), Bourne Music Publishing Co., newspapers in Elizabeth N.J. and Beaumont, Tex.

FCC also quizzed both brothers on whether there was intent to deceive the public in an on-the-air disc jockey contest, and on the accuracy of its logs for Oct. 18-24. Chief hearing examiner James D. Cunningham is presiding at the hearing, which continues this week.

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TV families spend \$2.40 weekly—just to watch free TV in the fall-winter season. That's the figure we get when we measure the per-hour estimated operating costs of home receivers against the Nielsen-calculated amount of TV viewing done weekly by the average U.S. TV home. In a recent study for Kimble Glass Co., a subsidiary of Owens-Illinois (whose link to TV is through picture-tube envelopes), the operating costs of TV were figured thus: Based on average set-life, a TV receiver costs an average of \$29.89 per year. Repairs, figuring a high average, come to \$40.36 annually. Average TV electrical consumption is \$8.16 annually. As a portion of comprehensive home insurance, a TV set costs about 73¢ each year. House-to-house moving averages about \$2 a year. These expenses all add up to an annual cost of \$81.14, which, divided by the average number of annual hours of use, gives us a cost-per-hour of 6.2¢. This hourly cost, multiplied by A. C. Nielsen's in-season (fall-winter) level of 40 hours of household TV viewing weekly, provides a weekly cost to the set-owner of \$2.40.

FTC payola complaints against these record firms have been settled by agreements on cease-&-desist consent orders: Scepter Music Inc., 1650 Broadway, N.Y. • Old Town Record Corp., 1697 Broadway, N.Y. • B&H Distributing Co., 3959 Woodward Ave., Detroit.

A trio of Republican TV commercials, timed for the last week of the campaign, were rejected by KPIX San Francisco because of content. KRON-TV San Francisco gen. mgr. Harold See approved one of the 60-sec. messages, refused the other 2. The spots are showing in nearly 24 Northern Cal. outlets, from Fresno to Eureka, in a \$35,000 drive, handled by the Whitaker & Baxter agency. Democrats termed the spots (designed by Imagination Inc. of San Francisco) as "low-level campaigning." One featured a "Mr. Beatnik," who said in part: "Why man, I dig that cradle-to-the-grave security bit. Nothing to do but stay in your pad and listen to that ring-a-ding jazz all day while Uncle Whiskers pays for the rent & the wine." Another, called "Smilin' Jack," showed a bucktoothed character dragging in saddle bags of money, and saying, with a Back Bay inflection, that the New Frontier is "where none of you little people will have to worry about how to spend your money, 'cause the govt. will spend it for you . . . You've all been living too high off the hog . . . You've been starving your poor old government . . . It's time to tighten belts & pay higher taxes to us superior people who'll be running that New Frontier. After all, if there's one thing I know about, it's how to spend money."

**Upcoming facility changes:** WSPA-TV (Ch. 7) & WSPA Spartanburg, S.C. expect to move back into re-built hq at 123 N. Converse St., severely damaged by fire last May (16:21 p10) • KBAK-TV (Ch. 29) Bakersfield, Cal. plans to begin operating from new site on Breckenridge Mt. Dec. 1 and boost power to 120 kw • WTOC-TV (Ch. 11) Savannah, Ga. hopes to boost to 316 kw about Jan. 1 • KELP-TV (Ch. 13) El Paso, Tex. expects to start Dec. 1 from new site on Comanche Peak and will boost power to 209 kw • KROC-TV (Ch. 10) Rochester, Minn. has set Dec. 4 as target for move to a new site & boost to 316 kw.

Voice of America station at Greenville, N.C., planned as the most powerful broadcasting facility in the world, probably will be built by 2 Texas firms—Alpha of Texas Inc. and Continental Electronics Mfg. Co. They submitted a low bid of \$12,173,000 to the USIA for the project, which survived Congressional cuts in the VOA budget (Vol. 16:35 p6). The Greenville station, scheduled for completion by the end of 1962 at a total cost of \$25,345,850, will provide stronger signals for VOA radio programs beamed at Europe, Africa, the Middle East and South America.

Gross Telecasting Inc. (WJIM-TV & WJIM Lansing) has been ordered by NLRB to post studio notices promising that it won't discriminate against employees because of NABET membership activity. Backing up trial examiner Henry S. Sahm, who reported in May that the management of the stations had tried to intimidate union members (Vol. 16:22 p12), NLRB said the company must cease & desist from threatening them with economic reprisals.

Latest price cut on TV tape made by Minnesota Mining & Mfg. Co.—the 4th in the past 2 years—now brings the price of a 60-min. reel (in lots of 48 or more) to \$205.57, down from \$228.41. Since 1956, the total price reductions have amounted to nearly 33%.

On a related front, Eastman Kodak is increasing the price approximately 10%, eff. Nov. 29, for the 3 currently available 16 mm b-&-w Eastman reversal films (type 7504, tri-x type 7278, plus-x type 7276).

KATV (Ch. 7) Little Rock will have James C. Leake and John Griffin as co-owners (50% each) following FCC approval last week of their purchase of Bryan Mathes' 10% stock for \$45,000.

## Advertising

**Congress Not Through Yet:** Broadcasters & advertisers may look for more trouble from govt. agencies & Congressional critics in the next year, NAB TV Code Review Board Chmn. E. K. Hartenbower (KCMO-TV Kansas City) warned last week.

Calling on TV & radio and sponsors to get together for better implementation of NAB's rules of good conduct on the air, he told the 7th annual 4A-sponsored New Products Seminar in N.Y. that nobody should predict that "this unpleasants will all blow away."

Hartenbower said both industries must aim at combining "enthusiasm with truth [and] good sell with good sense." NAB Code members have been called "prissy, picayune and mid-Victorian" in insisting on compliance with self-regulating restraints in commercials, but it's "easier to edit beforehand than to produce a \$20,000 commercial that disgusts the public," he added.

Echoing FTC Chmn. Earl W. Kintner's warning against use of science fiction in commercials (Vol. 16:44 p5), Hartenbower said FTC and network & station clearance editors have common responsibilities to see to it that: (1) A TV demonstration proves a claim in fact. (2) There is no deception of any kind in commercials.

"If 4 out of 5 N.Y. doctors are said to recommend a product, or if brand A works 3½ times as fast as brand Z, surely the broadcast licensee should have the assurance that there are reliable facts & figures to back these claims," the NAB Code spokesman told advertisers at the seminar.

Overall taste in TV commercials has improved during the past year, and "remarkable progress" has been made under the Code, but more needs to be done not only in the area of good taste, but in areas of accuracy, substantiation and derogation of competing products, Hartenbower said.

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Hazel Bishop Inc., longtime TV advertiser, has been challenged by SEC to prove "the accuracy & adequacy" of a stock registration statement covering proposed public sale of 1,274,823 shares held by more than 110 persons & firms. Instituting stop-order proceedings against the N.Y. cosmetic products distributor, SEC said it "has reasonable grounds for believing that Hazel Bishop's prospectus is false & misleading." SEC's 8-point complaint against the company included questions about its advertising expenditures, earnings claims and "general development of the business during the past 5 years." Controlling interest in Hazel Bishop was held at one time by Matthew M. Fox's C&C Television Corp. (now Television Industries Inc.), which made a complex 1958 deal with the cosmetics firm involving use of TV spot time for which Fox had bartered his library of RKO feature films (Vol. 14:21 p8). A hearing for Hazel Bishop had been scheduled for Nov. 1 by SEC, but it was put off until Nov. 10 to give company lawyers time to negotiate stipulations of facts about the firm's operations.

Republican TV expenditures totaled \$1,100,942 for national time up to Oct. 27 in the 1960 campaign, the party's TV committee said in a report filed with the Clerk of the House. The report listed collections of \$996,917 during the same period, in which TV costs ran below those in the 1956 campaign, when there were no free-time "Great Debate" appearances by Presidential candidates. A spokesman for the Democrats' counterpart TV committee said their report wasn't ready, but it was expected to approximate the Republicans' outlay.

## Film & Tape

**SAG-AFTRA May Strike Commercials:** Strikes are looming against the networks, ad agencies and producers in the area of film & live commercials, following an impasse in the N.Y. negotiations between the networks and Screen Actors Guild and the American Federation of Television & Radio Artists.

In Hollywood, SAG announced it was polling its national membership to seek strike authority. AFTRA will hold membership meetings in N.Y. & Chicago Nov. 11, and Los Angeles Nov. 13 to discuss the critical situation.

SAG, in joint negotiations with AFTRA on the commercial contract, told its members that the employers "have refused to make any offer which we could in good conscience recommend to the membership . . . They have agreed to make pension & welfare payments, their only offer of substance," but "they refuse to correct injustices which exist in the Guild's present commercial contract, and, in fact, their wage offers are substantially below the existing rates for taped commercials."

Strike authorization by members does not, of course, guarantee a strike. When a block in negotiations is reached, it's customary to seek such authorization to enforce the Guild's bargaining position in the deadlock. However, none close to the picture cared to make any predictions about a strike, particularly because this has been a year of strikes in the entertainment field.

The possibility of union-sponsored political "blacklisting" of TV talent emerged meanwhile in N.Y. On the agenda of the Nov. 10 annual AFTRA meeting is a resolution to enforce provisions in the Union constitution which forbid Red-lining or Communist membership by Union members. The proposed measure also calls for expulsion of AFTRA members who invoke the 5th Amendment before a Congressional committee. Blacklisting isn't new (program executives still recall the *Red Channels* hassles of a few years ago), but this would be the first direct AFTRA attempt at self-regulation in the political area, if passed.

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Directors Guild of America, whose contract with the networks expires Dec. 31, is making the first moves toward hammering out a new contract. DGA believes that an early start in negotiations will avoid a stalemate at the last moment, and a set of DGA demands will be presented to network negotiators at a series of N.Y. meetings this week & next. Principally, DGA hopes to equalize directors' scales for live & film and to bring pension & credit provisions for live & tape directors up to film-contract levels.

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Three new members have been appointed to the TV-radio board of Writers Guild of America West, replacing 3 of the 6 ousted in the recent recall election (Vol. 16:44 p8). Named to the posts: Mary McCall Jr., Barry Trivers, Christopher Knopf. Fenton Earnshaw has been named pres. of the board. The board has also appointed a nominating committee to select a slate of writers from the other 3 vacancies on the board, and an election will then be held.

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Selmar Productions, AB-PT's film-&tape subsidiary, is preparing 2 new live shows. One, a 60-min. live-&tape variety & interview show, would originate in Las Vegas, Nev., to be seen at 11 p.m., perhaps in the spring. The other, a live circus show, is planned for Sat. a.m., and may start early next year.

**Executive Merry-Go-Round:** Executive casualties are accumulating again at 3 major studios which have had more than their share of problems in TV film—Paramount, MGM and Twentieth Century-Fox.

MGM-TV vp George Shupert resigned last week in a policy clash—reportedly over a demand for more authority, which was denied by Metro Pres. Joseph R. Vogel. Shupert had virtually closed a deal to bring Roy Huggins in as production chief, supplanting Robert Weitman. But when he was unable to reach Vogel, then in Europe, for approval, Huggins accepted a similar job at 20th Century-Fox TV. Huggins, active in several successful series (*77 Sunset Strip*, *Maverick*, *Colt .45*) left Warner Bros. for a deal reported to include participation in film series. (John B. Burns, MGM-TV's dir. of national sales, was named to the new post of gen. sales mgr., after Shupert left.)

Producer Richard Bare (*The Islanders*) also left MGM-TV (replaced by Jaime del Valle) as did producer-creator Gene Wang.

George Gruskin has departed as production executive at Paramount Television, in the wake of a disastrous year during which the studio sold only one pilot. No successor has yet been named. Previously, production vp Bob Cinader had resigned at Paramount TV over policy differences. More recently producer Hal Hudson left Paramount for the same reason, after only 4 months. Hudson joined Ralph Edwards in a TV-film production venture.

The only top-echelon change at an independent studio has been the resignation of Desilu Productions exec. vp Martin Leeds, because of a policy clash with Desi Arnaz.

American Federation of Musicians and Assn. of Motion Picture Producers signed a new 3½-year contract last week, providing for a wage hike. Telefilms & movies produced by the major studios are covered by the contract, which provides that: (1) Any film produced in the U.S. or Canada will be scored in the U.S. or Canada. (2) No canned music (music not scored by those covered by agreement) will be used in telefilms going into production on or after June 1, 1961. (3) Rerun payments of 1% for movies going into production after Jan. 31, 1960, and which are released to free TV. (4) Pay rates to be increased 5% Oct. 1, 1961, an additional 7% Nov. 1, 1962. (5) Pension contributions of 3% begin at once in musicians' pension fund. (6) Standard AFM soundtrack regulations to be made applicable to all movies produced since 1958. There are no provisions for a musicians' cut of post-1948 movies sold to TV.

Sale of California Studio for approximately \$600,000 is being made to a syndicate headed by Los Angeles financier Fred Jordan and producer-writer Phil Rapp. California Studio Pres. Philip J. Krasne told us he expects contracts to be signed "in a week or two." The new owners, Producers Studio, are also signing a lease for the studio's land, owned by the Clune Memorial Trust. Krasne and Jack Gross bought the studio about 10 years ago from the estate of producer Harry Sherman for about \$250,000. Since then the studio has added 3 new stages and other expansion. Krasne bought out Gross's interest in July 1959. Rapp will be chmn. & creative head of the new setup. Krasne will produce TV & movies. "I'm a producer, not a landlord," he told us.

703 Ampex Videotape recorders were in use as of Oct. 1, Ampex has announced. Of these, U.S. broadcasters & production firms had 416; U.S. closed-circuit systems, 93; broadcasters & production firms outside the U.S., 194.

## HOLLYWOOD ROUNDUP

International Television Film Distributing Co. Inc. sold the Bing Crosby special (on ABC-TV Oct. 5) in the Philippines & Switzerland. It has also sold *You Asked For It* in Thailand, Australia and Hong Kong; *Don't You Believe It* in New Zealand; Western features in Nigeria; *Wonders of the World*, in Thailand, and *Clutch Cargo* cartoons in Australia . . . Belmont Television has been formed by Danny Kaye & his wife, Sylvia Fine, for production of TV films. Robert Forrest, ex-NBC-TV, is vp-&-exec. producer.

Major Programs Inc. (Hardie Frieberg, pres.) has been formed to distribute telefilms. Its first series will be 104 five-min. episodes of *Believe It or Not*, produced by Sceptre Productions, (Jack Rabin, pres.) . . . Six "Twilight Zone" episodes will be taped at CBS-TV Television City beginning Nov. 8 in a move aimed at shaving costs on the series, most of which is on film . . . Producer Jack Chertok is filming TV's first 5-parter, a *Lawless Years* story of Louy K, one-time syndicate chief.

Revue Studios is planning 2 pilots, *Mother Climbs a Tree*, starring Joan Fontaine, (Bill Frye producing) and an untitled series about the national park rangers, to star Jock Mahoney, Richard Irving supervising preparation. Revue has completed another pilot, *17 Battery Place*, starring Ron Randell. Also in preparation at the Universal City lot is *The Lawyer*, a Hubbell Robinson Jr. project.

Two 30-min. series and a 60-min. project are planned by producer Hal Hudson for next season, under the aegis of Ralph Edwards. Hudson recently left Paramount Television, dissatisfied with that company's TV policies. On his agenda: *The Weapon*, an anthology, which may be hosted by Burl Ives.

ZRB Productions has been formed by producers Byron Roberts and Al Zimbalist for TV & movie production. *Taffy* is the title of the TV project . . . MGM-TV and Norman Felton are planning a pilot, *Cafe Bravo*, about a private eye in Mexico.

Screen Gems plans to pilot a 60-min. action-adventure series, *Safari*, with African local. William Sackheim is producer . . . Allied Artists' Informational Films Div. plans production of a 90-min. TV special about D. W. Griffith.

New pilots include *Metropolitan Squad*, produced by Quinn Martin; *The Story of My Life*, Clarence Darrow's autobiography, MGM-TV and Arena Productions; *Come a-Running*, Harry Tatelman, producer for CBS-TV.

Hubbell Robinson Productions' *Thriller* has been renewed for 13 more weeks by NBC-TV.

**People:** Stephen McNally and Robert Harland signed to star in Four Star Television's *The Corruptors*. Harry Tatelman named producer of *Ichabod*, Revue Studio series planned for the 1961-62 season . . . James Moore, ex-Warner Bros., named exec. asst. to Roy Huggins, production chief for 20th Century-Fox TV . . . MCA vp Karl Kramer, active in its Revue Studios since its formation, has retired . . . Writer Mort Lewis named by Jerry Lewis Productions as creative asst. for TV . . . Irving Asher, ex-20th Century-Fox TV vp, plans a comedy series starring Herb Shriner . . . Joe Hoffman has left Four Star Television, where he produced *Michael Shayne*.

## NEW YORK ROUNDUP

Seven Arts won another legal duel last week. In N.Y. Supreme Court Nov. 2, Judge Owen McGivern denied a motion by Batjac Productions—actor-producer John Wayne's independent production firm—to enjoin 7 Arts and Warner Bros. from distributing several Batjac post-1948 films in TV syndication. Wayne had claimed that Warner Bros., which originally distributed the films theatrically, had no right to license them along with other post-1948 WB films to 7 Arts. Judge McGivern disagreed, stating that WB and 7 Arts were "acting within their rights." The Batjac pictures, 5 of which star Wayne, are: "Big Jim McLain," "Island in the Sky," "Hondo," "The High & the Mighty," "Blood Alley," "Plunder of the Sun," and "Track of the Cat."

Add syndication sales: Ziv-UA's first-run adventure series, *Miami Undercover*, has been sold in 21 markets to date. Major sales include: KABC-TV Los Angeles, KPRC-TV Houston, WLBW-TV Miami . . . UAA has scored more sales for its features & cartoon packages: 11 more stations bought the feature films; 7 stations were added to the *Popeye* & Warner Bros. cartoon package list.

Add syndication sales: Screen Gems' off-network re-run package, *Tightrope*, has been sold in 16 new markets, bringing total sales to 48 . . . UAA scored 9 new station sales for its feature films; 6 new stations bought the *Popeye* & Warner Bros. cartoon packages . . . ITC has sold former U.S. network show, *Halls of Ivy*, to the Canadian Bestg. Corp. This marks CBC's 5th purchase from ITC in the last year.

Screen Gems has sold a third Hanna-Barbera animated series, *The Yogi Bear Show*, to Kellogg on a national spot basis. The series, featuring the comic star of *Huckleberry Hound*, is scheduled for 130 stations beginning in January. Other Kellogg-sponsored SG series: *Huckleberry Hound*, *Quick Draw McGraw*.

Merritt Enterprises was formed recently in N.Y. by E. Roger Muir, ex-NBC exec. producer of children's programs, who resigned from NBC after 15 years to become pres. of the new program production company. Nick Nicholson, TV producer with NBC for 8 years, also resigned to become Merritt Enterprises vp & treas.

ITC gained syndicated distribution rights to off-network *Broken Arrow* from 20th Century-Fox last week. The 72-episode, 30-min. adventure series, originally aired on ABC-TV, will be offered simultaneously to both U.S. & foreign markets when it goes into syndication next month.

Durham Telefilms, TV distributor & producer, has acquired exclusive domestic TV rights to 3 WPIX N.Y.-produced documentaries: "The Russian Revolution," "The Cold War," and "The Secret Life of Adolf Hitler."

Add syndication sales: MCA-TV has added 10 new stations for its 30-min. series for daytime stripping, *Dr. Hudson's Secret Journal*.

**People:** William E. Huston has been named Transfilm Caravel vp in charge of TV commercial sales . . . Peter G. Robinson and Leon I. Mirell have been appointed Selmar Productions program vp and business affairs vp respectively . . . Jack Heim has been named 7 Arts special feature sales dir.

## Television Digest

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**Personals:** Glen Akins named asst. mgr. of TV operations, ABC-TV engineering dept., Hollywood; Donald C. McCroskey replaces him as supervisor of TV engineering maintenance . . . Jerry M. Landay named to new post of WBC national news editor; he was radio WBZA Springfield news supervisor . . . Symon B. Cowles named ad dir. WNEW-TV N.Y. . . . Frederick G. Ramback, ex-Pacific Tel & Tel, named Ampex Professional Products national sales mgr., a new post . . . George Etkin named asst. gen. counsel, MBC . . . Edward K. Mills Jr., whose nomination to FCC was withdrawn (Vol. 16:42 p16), sworn in as FTC member by Supreme Court Justice William J. Brennan Jr.

Ed Bonham named local sales mgr., WAVY-TV Norfolk, Va. . . . John Tyler promoted from sales mgr. to gen. mgr., KFDA-TV Amarillo . . . Phil Lewis named news dir. KYW-TV Cleveland.

Meetings next week: Assn. of National Advertisers annual meeting (Nov. 13-16), The Homestead, Hot Springs, Va. • Bcstrs.' Promotion Assn. annual convention (14-16). NBC Chmn. Robert W. Sarnoff will speak, Sheraton Charles Hotel, New Orleans • RTES timebuying & selling luncheon-seminar (15), Hotel Lexington, N.Y. • TvB annual meeting (15-18), Waldorf-Astoria, N.Y. • RTES newsmaker luncheon (16), Roosevelt Hotel, N.Y. • Tenn. Assn. of Bcstrs. meeting (17-18), Peabody Hotel, Memphis • Freedom of Information conference (17-18), U. of Mo. School of Journalism, Columbia, Mo. • TvB membership luncheon (18). U.S. Steel Pres. Leslie B. Worthington will speak, Waldorf-Astoria, N.Y. • Ore. Assn. of Bcstrs. meeting (18-19), Salem, Ore.

### Obituary

The Rev. Dr. Percy Crawford, 57, pastor of radio's *Young People's Church of the Air* and founder of the TV gospel show, *Youth on the March*, died Oct. 31 of a heart attack in Trenton, N.J. He was pres. & owner of educational WPCA-TV Philadelphia (60% religious & educational bcastg.), and pres. & owner of FM stations WMUZ Detroit; WYCA Hammond, Ind.; WDAC Lancaster, Pa. He also had the first coast-to-coast religious radio program (1937). Surviving are his wife, 4 sons and a daughter.

Meetings this week: Maine Assn. of Bcstrs. annual meeting (Nov. 9). Paul O'Friel, radio WBZ (Boston) gen. mgr. will speak, Steckine's Restaurant, Lewiston • WSB Radio-TV News Bcstg. Conference (10), in association with U. of Ga. Henry W. Grady School of Journalism, WSB-TV & WSB Atlanta studios • N.D. Bcstrs. Assn. annual meeting (10-11), Gardner Hotel, Fargo. • Fla. Defense Network (9), DuPont Plaza Hotel, Miami.

### Educational Television

**More Ford Support for ETV:** \$686,518 in Ford Foundation grants were announced in October for expansion of science & engineering ETV programs in universities & secondary schools (Vol. 16:31 p6). Existing in-classroom teaching projects, under the Foundation's national program for use of TV in public schools, were granted a total of \$500,000. Major gifts to a group of 16 school systems: Fla. West Coast ETV Inc. (\$45,000), Ohio State U. Research Foundation (\$40,000), Anaheim City School District (\$40,000).

In addition, FF gave funds of \$136,518 for the activation of ETV channels at several large universities: Michigan State U. (\$27,188); Tennessee U. (\$25,000); Montana State U. (\$21,450). A grant of \$44,800 was given to the WGBH Educational Foundation for expansion of ETV facilities. Grants also went to Dade County (Fla.) board of public instruction (\$15,000) and to Western Michigan U. (\$35,000) to support the release of faculty members from regular duties to teach college-credit courses by TV.

Some 3 million college students will receive some portion of their education through closed-circuit TV by 1965—a 600% increase over today's estimated 500,000 students who are learning by TV in 130 colleges & institutions. That's the estimate of Ampex ETV specialist Robert Miner, who predicted educational institutions will turn increasingly to TV and video-tape recording to meet the challenge of a projected 50% enrollment increase in the next 5 years. He gave these views during a news conference at the recent NAEB convention in San Francisco.

### Technology

U.N. ownership & operation of all international space communications was urged last week by Philco Pres. James M. Skinner Jr. Addressing the Peninsula Mfrs. Assn. in Palo Alto, Cal., he said such international control would further peace & understanding and strengthen the U.N. Under his proposal, each nation would establish a central point from which international TV, voice, telegraph & telephone communications would be transmitted to U.N.-owned satellites for distribution to the local services of the receiving nation. AT&T has indicated its intention to own & operate satellite communications system (Vol. 16:43 p1).

Advances in the art of radio communications—both in space and over long distances—are expected to result from last week's launching of 90-lb. Explorer VII satellite. It is taking the most extensive direct measurements ever made of the ionosphere—from which is expected to come better understanding of how ionospheric changes occur.

### Auxiliary Services

Translator starts: K74BE Hood River, Ore. began Oct. 7 repeating KGW-TV Portland • K77AW Likely, Cal. has Nov. 15 target for start with KOLO-TV Reno.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**W. R. G. BAKER—'MR. ELECTRONICS':** The legacy of Dr. W. R. G. Baker, who died Oct. 30 at 67, could be said to include the technical system of American TV. The fact is, there is virtually no branch of electronics which doesn't owe something to his incisive mind and skilled leadership. He also found time to build the IRE into one of the world's strongest engineering associations, to found & direct the engineering activities of the EIA and to plan & operate GE's Electronics Park, among other accomplishments.

One of the industry's great men—the former GE electronics vp who had headed both IRE & EIA—his most important contribution undoubtedly was leadership. As chairman of the first National Television System Committee, he was able to draw together divergent industry views & proposals and come up with a single set of black-&-white TV standards. Heading the 2nd NTSC, he accomplished a similar task with color. These were just 2 of the many intra-industry task forces he led, welding together opposing engineering factions.

Nevertheless, "Doc" Baker wasn't a diplomat in the common sense of the word. He believed in the direct, plain-spoken approach—calling a spade a spade. He succeeded because he was a master at negotiating from fact. And because he was blunt, he made enemies—but even those enemies respected his sharp mind and the extreme power of his personality.

A strong & single-minded man, he devoted his entire adult life to electronics, even to the exclusion of hobbies and other outside interests. It was a common sight to see him open his bulging briefcase on a train or a plane—or at any lull in the day's activities—and wedge in a few minutes of work. Until he suffered his first stroke in June 1957, it was his boast that he had never been sick a day in his life. He couldn't afford to be—there were too many important things to do.

For some of Dr. Baker's honors & accomplishments, see p. 17.

**THE CHALLENGE FROM THE SALES DEPT.:** Challenge to come up with "new ideas" in consumer electronics was thrown out to engineers last week by the consumer-products chief of one of the largest TV-radio-phono manufacturers. Braving the disdain of some engineers for advice from their non-technical brethren, Motorola consumer-products vp Edward R. Taylor (who also is EIA consumer-products div. chairman) listed to an engineering group the products he thinks he can sell to the public—and asked them to get to work.

Addressing EIA-IRE Radio Fall Meeting in Syracuse—attended by some 200 engineers, largely representing consumer-products & component development—the ebullient Taylor refused to concede that consumer electronics has "reached a plateau." For existing products, he forecast good prospects in the next 5 years: TV, from 6 million sets a year to 8 million in 1965; home radios rising from 3.5 to 4.8 million; clock radios, from 2.8 to 3.9 million; portables, from 4.6 to 6.5 million; stereo, from 3 to 5.5 million.

But that's not enough, he warned. "The worst thing we could do would be to accept the status quo." In present product categories, he urged engineers to give priority to increased reliability, looking toward an eventual 5-year service policy for TVs & radios. Miniaturization, too, he cited as important field for improvement: "The day of the Dick Tracy radio transmitter-receiver is going to come." As to TV, he asked them to "design an electronic system" to eliminate the "forests of unsightly outdoor antennas," to extend signals' range beyond line of sight and get rid of blind spots, eliminate flutter caused by aircraft. "Are you as proud as you should be of that picture?"

In other home electronics fields, he suggested: Kitchen computer, which cooks complete meal when punch-card recipe is inserted. Control panel, which "operates every gadget in the home" including laundry, furnace, range, etc. Closed-circuit TV to connect every room in the house. Home TV tape-recorders. Facsimile newspapers. Electronic fire & burglar alarms that work. Electronic ovens at competitive prices.

In the auto, he noted that Chrysler already is substituting electronic alternator for generator and made these added proposals: Devices to heat & cool car electronically. Combination electronic windshield defroster, dryer & wiper. Auto safety devices. "And how about a car clock that keeps time?"

For outdoor recreation: Devices to cut down hunting & swimming casualties. Solar-powered barbecues. Weather detectors for boating fans, etc.

Engineers aren't sitting on their hands, of course. It's good bet that many of these devices & ideas are now in research labs. Technical papers at Radio Fall Meeting sessions gave good idea of areas being explored now by engineers for more immediate improvements in consumer electronics: transistor TV, multi-element tubes, TV & AM, stereo, increased reliability, better TV pictures, citizen's band radio communications for consumers. For details, see story below.

**TV-RADIO PRODUCTION:** EIA statistics for the week ended Oct. 28 (43rd week of 1960):

	Oct. 21-28	Preceding wk.	'59 wk.	'60 cumulative	'59 cumulative
TV .....	123,919	119,634	158,503	4,872,844	5,195,440
Total radio .....	445,175	407,078	456,028	14,121,091	12,722,970
auto radio .....	169,582	145,588	125,056	5,421,773	4,682,962

**More about**

**CONSUMER ELECTRONICS FRONTIERS:** Near-future trends in consumer electronics were spotlighted last week in engineering papers at the EIA-IRE Radio Fall Meeting in Syracuse. The developments discussed were less dramatic—and far closer to reality—than those longer-term advances in the electronics art urged by Motorola consumer-products exec. vp Edward R. Taylor at the meeting's dinner session Nov. 1 (see p. 15). These were prominent topics among the engineering papers:

**Multi-function tubes:** The new trend toward putting more tube functions than ever in a single envelope—not glamorous, but a decided cost & space-saver—will be evident in a wide variety of consumer products next year. Different approaches were discussed by 3 manufacturers.

GE's compactron, the most widely publicized approach, provides both higher reliability & lower replacement cost than the tubes it replaces, according to GE's J. A. Davies & C. D. McCool. Although lower initial circuit cost is one advantage, the GE engineers reassured end-equipment manufacturers that compactrons won't leave consumers out on a high-repair-cost limb. They cited tests & calculations showing that failure rates of compactrons are "about 25-to-65% of the combined failure rates of their conventional prototypes." On the basis of tentative pricing information, they estimated the consumer should have to pay about 17% less for compactron replacement than for conventional tube replacement, due to higher reliability. (Note: It's understood that Sylvania, in addition to previously reported CBS Electronics & Tung-Sol, is due to join GE in production of compactrons.)

Two developmental multi-unit tubes designed for low-cost, compact auto radios, were described by RCA's N. C. Johnson & B. Lankford. They're in conventional 9-pin miniature envelopes and make possible a car radio with only 2 tubes & one transistor, reducing tube-heater-power requirements from 7.5 to 6.3 watts. The developmental tube types consist of a combined tetrode & heptode (RF amplifier & converter) and pentode, triode & 2 diodes (IF amplifier, diode detector first audio amplifier).

Sylvania's "Ten Pin" miniature tube—similar to the 9-pin base arrangement but with an extra pin in the center—was described by W. J. Sember & L. R. Maquire as providing substantial cost reductions by simplifying circuitry

& wiring. Tubes using the new design are a double tetrode (FM radio RF amplifier & oscillator-mixer), and a triple triode (RF amplifier, oscillator mixer, AFC control).

**TV & AM stereo systems:** Now that FCC's FM stereo deliberations are under way, thoughts are turning to other forms of stereo broadcasting. GE's Robert B. Dome described a compatible stereo TV sound system using the sum-&-difference method with an AM subcarrier. RCA's J. Avins described 4 different approaches to AM stereo, including its own proposed system, which uses an FM "difference" signal and an AM "sum" signal Vol. 15:46 p22).

**Transistor TV:** Design engineers' preoccupation with circuits for battery-operated TV sets continues. Philco's B. M. Soltoff & C. H. Tyson described a Philco-developed picture tube (lab version is 14-in.) which cuts battery drain by operating on a heater power of only 250 milliwatts. The paper treated power sources for low-heater-power tubes and concluded that the horizontal output transformer core appeared to be the most versatile choice. A paper on a phase-splitter amplifier for transistor TV was presented by Warwick's Z. Wiencek, and one on transistorized horizontal scan by Motorola's Douglas W. Taylor.

**Picture improvements:** The only paper at the meeting which could be described as "futuristic" was one by Sylvania's W. D. Schuster & Rola's C. E. Torsch on "Benefits of a New Aspect Radio for TV." This was not an appeal—as might be surmised—for a Cinemascope-shaped TV picture, but, to the contrary, for a more nearly square one.

Torsch, who delivered the paper, pointed out that the official aspect ratio of the TV picture, as provided by FCC, is 3 to 2. Nevertheless, for purposes of more pleasing furniture design & other styling reasons, set manufacturers use a more nearly square 5-to-4 ratio. In short, the camera sees a 3-to-2 picture, but the set shows a 5-to-4 picture, resulting in the loss of about 12.5% of the picture on a 19-in. set. Because of "overscan," picture distortion results.

The authors proposed that aspect ratio of the transmitted picture be changed to 5-to-4 to match existing receivers. This, they said, could be done by modification of studio cameras. They listed these advantages: Increased camera resolution, better linearity, improved brightness & contrast due to elimination of overscan, potential savings in receiver manufacture. Sets now in use would require adjustment of horizontal sweep to get proper linearity with changed picture aspect transmission.

**TV SALES DOWN, RADIO UP:** As anticipated, Sept. retail sales this year were below those of Sept. 1959, but the dip wasn't as bad as in August (Vol. 16:42 p17). For the month, retail sales totaled 620,810—highest of any 1960 month, but still 9.4% below the 684,773 registered in Sept. 1959 (which followed a 13% August dip). Radio retail sales on the other hand, were up a surprising 17.7% from Sept. 1959, reaching 1,102,092 units, and bringing cumulative radio sales for the year well past the 6-million mark—20.1% ahead of last year.

Analyzing EIA's September figures, these impressions stand out: The industry cut TV production 19% below the Sept. 1959 figure, resulting in a year-to-date production total lower than 1959 for the first time this year. Cumulative 9-month TV retail sales still were 7.6% ahead of 1959 figures as the result of excellent sales during first half of 1960—but Sept. sales were at an annual rate of only about 5 million, based on seasonal adjustments.

(Scattered reports on October sales give little encouragement. From various industry sources, we hear no talk of any sharp pickup last month. Motorola consumer-products exec. vp Edward R. Taylor told us last week that he has revised his prediction of industry-wide TV sales for 1960 to 5.8 million, or about the same as last year.)

While total radio production for the year's first 9 months was 1.2 million units higher than last year, September production dropped below the corresponding 1959 figure for the first month this year—albeit only slightly. Apace with booming car sales, auto-radio production continued about 10% ahead of last year in September, marking the year's peak. FM radio output, too, zoomed to a monthly high of 111,745, excluding tuners & combinations). The EIA September production & retail sales figures:

#### TELEVISION

Month	Total Production		Uhf Production		Retail Sales	
	1960	1959	1960	1959	1960	1959
January ...	526,494	437,026	50,119	35,841	590,867	501,704
February ...	503,453	459,492	43,537	34,678	507,673	448,173
March .....	549,500	494,032	45,411	32,112	501,829	425,751
April .....	422,551	389,251	39,240	20,501	351,214	263,998
May .....	442,176	431,911	32,295	28,247	334,233	279,536
June .....	518,870	571,004	34,245	29,064	371,661	344,795
July .....	268,854	350,360	14,621	21,022	392,858	370,575
August .....	462,286	547,445	26,829	32,847	429,346	492,449
September ...	678,937	808,337	46,161	51,555	620,810	684,773
<b>TOTAL</b> ....	<b>4,373,121</b>	<b>4,488,857</b>	<b>332,458</b>	<b>285,867</b>	<b>4,100,541</b>	<b>3,811,753</b>

#### RADIO

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January ...	1,355,788	1,124,737	632,461	420,052	803,388	700,490
February ...	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March .....	1,667,550	1,347,554	633,761	511,219	664,441	515,563
April .....	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May .....	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June .....	1,551,451	1,430,165	596,870	637,806	702,859	678,195
July .....	890,359	829,035	328,009	254,725	573,363	526,827
August .....	1,048,406	1,009,423	340,860	279,424	794,608	671,713
September ...	1,945,092	1,981,208	788,961	717,501	1,102,092	928,457
<b>TOTAL</b> ....	<b>12,408,377</b>	<b>10,927,252</b>	<b>4,780,922</b>	<b>4,151,846</b>	<b>6,348,421</b>	<b>5,285,878</b>

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 55,151 (29,145), March 83,127 (32,994), April 68,196 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,563), Aug. 71,125 (42,866), Sept. 111,745 (76,942). Nine-month total: 677,410 (367,804).

#### More about

**DR. W.R.G. BAKER:** Word of the death of Dr. Walter Ransom Gail Baker (see p. 15) came on the eve of last week's Radio Fall Meeting, the 32nd in a series of annual EIA-IRE engineering meetings which he helped to establish—and which presented him with its first annual award in 1921. His funeral services in Syracuse Nov. 1 were attended by many of the top electronics industry engineers & executives, who came from all parts of the country.

One of the great "doers" of American industry, on both the engineering & executive levels, at the time of his death at his home in Syracuse he was pres. of the Syracuse U. Research Corp. and Syracuse U. vp for research, a post to which he was named after his retirement as GE electronics vp in 1957. Even after he suffered his first stroke in 1957, he remained active in industry affairs, continuing to attend and participate in executive committee meetings of the IRE, of which he was treasurer. Late in 1958, he proposed & founded EIA's National Stereophonic Radio Committee, which recently filed its final field-test report with FCC (Vol. 16:44 p15).

#### Highlights of Dr. Baker's career:

He joined GE Research Labs in 1917, where he had an important role in development of wartime radio. He later was placed in charge of the new radio dept., with responsibility for radio transmitting & receiving products. He supervised construction of pioneer radio stations WGY Schenectady, KOA Denver & KGO Oakland. When GE, Westinghouse and AT&T formed RCA in 1929, Dr. Baker headed its radio engineering activities, later becoming vpgen. mgr. in charge of radio production. After RCA was split from GE, he returned as managing engineer, becoming mgr. of the radio & TV dept. (now the electronics dept.) in 1939 and vp in 1941. GE's giant Electronics Park was his in both concept & execution.

In 1939, he founded GE's pioneer TV station which bears his initials—WRGB Schenectady.

For contributions to military electronics during World War II, he was honored by both the Army & Navy, receiving the Army Medal of Freedom in 1953.

He was chairman of the first & second NTSC, which established the standards for b&w and color TV, and is the only man to serve as president of both IRE (1947) and EIA (1956-58). He received IRE's Medal of Honor in 1952 and EIA's Medal of Honor in 1953. He served on EIA's board from 1934 until last year; he started the engineering dept. of the industry group (then Radio Manufacturers Assn.) in 1934, and headed it until his retirement; at the time of his death he was director emeritus of engineering. He was an IRE exec. committee member and treasurer at the time of his death; he is credited with organizing the "professional group" system within IRE which has contributed largely to the current breadth & scope of that engineering organization.

He had also served as chairman of the exec. committee of Gulton Industries (batteries & electronic equipment).

He is survived by his wife, Naomi.

Birmingham Sound Reproducers (BSR), the British firm, now "supplies 25% of the 3-million-unit annual U.S. market for record changers, 30% of world demand." So says Nov. 1 *Forbes* magazine in profile of BSR and its Chmn.-managing dir. Dr. Daniel McDonald. The firm's pre-tax profits jumped from \$86,000 in 1951 to \$3.9 million last year. Next step for BSR: the appliance field.

More than 2,000 trade groups are listed in an updated Commerce Dept. publication, *Directory of National Associations of Businessmen: 1960*. Superseding a similar directory issued in 1956 which sold 25,000 copies, it is available for 50¢ per copy from the U.S. Govt. Printing Office, Washington 25, D.C.

**MORE FM STEREO COMMENTS:** Two more proponents of NSRC-tested FM stereo systems urged adoption of their own systems in comments received by the FCC last week (Vol. 16:44 p15). Pres. Murray G. Crosby of Crosby-Teletronics Corp., whose system is the only one tested which is not designed to accommodate any additional SCA multiplex channels (such as functional music, storecasting, etc.), urged the Commission to "choose the FM stereo system with a view toward providing the best broadcasting service without impairment due to the existence of an SCA channel."

Said Crosby: "The broadcaster [should] be given the right to choose between all-stereo operation of his station, or all-SCA operation for the multiplex channel." He stated that an SCA channel could be added with his system, "but we do not recommend it" due to impaired performance & possibility of cross-modulation. He also urged adoption of a system which permits inexpensive conversion to stereo "of the approximately 15 million FM receivers now in the hands of the public," adding that present sets cannot be easily adapted to the proposed AM-subcarrier systems.

Like most other system proponents, he explained that deficiencies which showed up in his system's parameters during tests were due to procedures & equipment used.

EMI Ltd. urged adoption of its system—also known as the Percival system—filing technical data to back up its plea. The British firm said it is prepared to grant non-exclusive licenses to other manufacturers "for a reasonable return on royalties."

Meanwhile, *Electronics* magazine, whose managing editor J. M. Carroll was secretary of NSRC's field-test panel, made this prediction in its Nov. 4 issue:

"Barring a real dark horse in the stereo race, the best guess seems to be that stereo standards will be promulgated in the first half of 1961, and that the final system standard will be a hybrid of the systems already studied, plus best features of any later proposals."

As deadline for comments passed, the only "later proposal" filed was RCA's "ideal" FM stereo system.

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Japanese electronics output in 1964 will be 82% higher than actual production in 1959, according to the govt.'s Ministry of Trade & Industry (MITI). Revising a tentative estimate in May that output would increase 32% in the 5-year 1960-64 period, MITI economists figured that in 1964, production would be running at a rate of about \$1.8 billion. Upward estimates were made for industrial equipment, tape recorders, receiving tubes, transistors. The projected 5-year estimates show a sharp increase in color TV receivers and a decrease in b-&-w sets. Transistor radio exports will continue steady growth, the report said.

Another Japanese radio manufacturer has established its own import agency in the U.S. The new U.S. agent for Fujiya Electric Co. is Fujiya Corp. Ltd., headed by dir-gen. mgr. R. H. Scott. Offices & showroom are in the Chrysler Bldg., Lexington Ave. & 42nd St., N.Y. Added to Fujiya's line soon will be 2 battery-operated stereo phonos, 2 battery radio-stereo phonos, a monophonic phono with AM & SW radio, a battery tape recorder, 2 AC tape recorders, an AM-marine band radio, a transistorized telephone amplifier.

Los Angeles-made Admiral series of 6 "California Decorator" TV sets is now in production. Designed for the Western market, 2 remote models are priced at \$469.95, one at \$479.95; others \$359.95, \$369.95 & \$439.95—all 23-in.

**Trade Personals:** John B. Montgomery, vp-gen. mgr. of GE's flight propulsion div. and former Air Force major general, Dec. 15 becomes president of Daystrom Inc., succeeding Thomas Roy Jones, who was named chairman but continues as chief executive officer . . . Raymond W. Saxon promoted from RCA Sales Corp. sales vp to mktg. vp . . . Louis G. Pacent rejoins Emerson Radio & Phonograph as mfg. subsidiaries vp. He was engineering & mfg. vp prior to forming Pacent Engineering Co. in 1958 . . . Richard G. VanInwagen appointed engineering administration mgr., GE TV receiver dept., succeeding Morris E. Broyles, recently named components engineering mgr.

Theodore Rossman named to new post of Pentron Electronics chmn., succeeded as pres. by Irving Rossman, formerly exec. vp. Irving Rossman also continues as pres. of subsidiary Pentron sales Co. . . . William L. James, ex-Westinghouse, named Espey Mfg. & Electronics mktg. mgr. . . . Robert W. Jorgensen, ex-Booz, Allen & Hamilton, appointed mktg. development mgr., Hallicrafters . . . Paul L. Hotte elected pres., Mallory Metallurgical Co., a P. R. Mallory div. . . . Roy E. Woenne appointed vp-technical dir., Litton World Trade Corp., headquartered in Zurich.

Walter C. Byrne Jr., ex-Hallicrafters & Motorola, named microwave mktg. mgr., RCA communications & controls div.; Haddon S. Wilson appointed custom microwave project mgr.; Norman E. Edwards named microwave engineering mgr. . . . William R. Donigan, ex-Du Mont, named PR mgr., Adler Electronics . . . M. Binions appointed commercial sales mgr., Collins Radio Co. of Canada.

Harry F. Dart retires as patent engineer, Westinghouse electronic tube div., after a 38-year career with the company. He was instrumental in the development of electronic tube advances such as oxide coated cathodes and AC heater receiving tubes.

Harold R. Terhune, ITT Labs mgr. of standards, received 21st annual award of the EIA-IRE Radio Fall Meeting for "accomplishments in the field of electronic symbology & components."

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Appliance pricing practices were criticized by FTC staffers and defended by dealers at a local trade "educational" conference in Washington. The attack on appliance advertising was led by dir. John R. Heim of FTC's Bureau of Consultation. He said it is misleading to cite a "manufacturer's list price" in "bargains" when the going price in an area is something else again. Many of the 40 dealers attending the FTC-called session defended use of the "list" rate, however, contending that customers need to know what it is in order to identify products & make price comparisons. Similar conferences have been held in N.Y., Cincinnati, Chicago, Los Angeles, San Francisco and Phoenix. FTC Chmn. Earl W. Kintner promised more.

Five new 27-in. sets have been added by Magnavox as a result of successful reaction to the comeback of the large-sized screen (Vol. 16:29 p15). The new 27-in. "spectacular" line, featuring short-short 90-degree tubes, is headed by a stereo theater at \$795, two basic consoles starting at \$359.50 & \$399.50, and 2 remote consoles starting at \$399.50 & \$449.50.

Reverberation has been added to Packard Bell's stereo line in a new AM-FM-phono combination with 3 amplifiers and "variable Reverba-Sound control" at \$439.95.

Sylvania's share of industry TV sales was up 18.9% over 1959 during 1960's first 9 months, according to the company's trade advertisements, which also claim its radio share-of-industry was up 26.4%, stereo up 23.2%.

## Finance

**SET-MAKERS' 3RD-QUARTER SAG:** Although the TV-radio industry still has a busy 4th quarter to go, its 1960 financial picture is becoming apparent: This may well go into the books as the year sales rose & profits fell. With few exceptions recent reports from set makers conform to the up & down pattern. Ever soaring Zenith reported lower 3- to 9-month profits, though its 9-month sales set a new record (p. 20).

Further evidence is supplied by Nov. 2 *Wall St. Journal* in a study of 3rd-quarter corporate profits. Its picture shows that 410 industrials produced an 8.4% profit gain over 1959's 3rd quarter. But the 10 TV-radio companies included in the survey did not contribute to the gain. Instead, their combined profit dropped 18.8% to \$12,870,000 from \$15,857,000 in July-Sept. 1959.

The TV industry's 3rd-quarter profit setback is typified by Hoffman's performance. Despite record sales for 1960's first 9 months & a near-record volume in the September quarter, Hoffman profits, compared with a year ago, were down sharply in both periods. A good measure of the slump came in the consumer products div. Explained Pres. H. Leslie Hoffman: Our "new line of TV, stereo and radios introduced in June was met with enthusiasm. However, the industry's general chaotic marketing & inventory conditions, typified by sharply reduced sales, price cuts and dumping of TV receivers, affected adversely the division's sales & profit position. Subsequently, production has been set at a prudent level to accommodate the existing situation and to reflect the company's estimate of the future."

\* \* \* \*

Muntz TV reports its highest profit since fiscal 1952 for the year ended Aug. 31 (see financial table). Its sales increased 46% (to \$8,833,829), its net profit 104% (to \$860,754) from fiscal 1959. Net profit represents 8.75% of sales, the highest ratio in the company's history. Chmn. Floyd G. Dana & Pres. Wallace A. Keil attribute the good results to "efficient production, proper utilization of skilled labor, proper cost & expense control, efficient sales methods, proper correlation of production to inventory & sales" in addition to a policy against "overpricing merchandise."

Muntz breaks down its net sales by category thus (fiscal-1959 figures in parentheses): TV sets, \$9,454,855 (\$6,191,452); radios & phonos, \$290,127 (\$445,674); service parts, \$88,847 (\$90,113); miscellaneous income, \$6,288 (\$1,666). Expenses are divided thus: Engineering & research, \$114,671 (\$96,821); selling & advertising, \$256,174

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, Nov. 3, 1960

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	21 1/4	23 1/4	Magna Theater	2 3/8	2 3/4
Aerovox	6 3/4	7 1/8	Magnetics Inc.	8	9 1/8
Allied Radio	21 1/4	23	Maxson (W.L.)	7 1/2	8 3/4
Astron Corp.	1 3/8	1 7/8	Meredith Pub.	39	43
Baird Atomic	23 1/2	25 5/8	Metropolitan Bctg.	16	17 1/4
British Industries	12 3/4	14 1/4	Milgo Electronics	15 1/2	17 3/4
CGS Labs	8 3/4	10 1/4	Narda Microwave	4 1/2	5 1/4
Cetron	3 7/8	4 1/2	Nuclear of Chicago	33 1/2	36 3/4
Control Data Corp.	40 1/2	43 1/2	Official Films	1 7/8	2 1/8
Cook Elec.	12 7/8	14	Pacific Automation	4 1/4	5
Craie Systems	13 1/4	14 5/8	Perkin-Elmer	37 1/4	40 1/4
Dictaphone	33	35 5/8	Philips Lamp	161	166 3/4
Digitronics	17 1/2	19 3/8	Pyramid Electric	2 3/8	2 15/16
Eastern Ind.	10 1/2	11 1/2	Radiation Inc.	19	21
Eitel-McCullough	18 1/4	19 1/8	Howard W. Sams	33	36 1/8
Elco Corp.	14 1/2	16 1/4	Sanders Associates	27	29 3/8
Electro Instruments	19 1/2	22	Silicon Transistor	4 3/4	5 1/4
Electro Voice	8 1/2	10	Soroban Engineering	33 1/2	37 1/8
Electronic Associates	24	26 1/4	Soundscripter	10 1/4	11 1/8
Erie Resistor	9 1/4	10 1/8	Speer Carbon	19	21
Executive	22	25 1/8	Sprague Electric	43	46 1/8
Farrington Mfg.	28 1/4	30 7/8	Taft Bctg.	11	12 5/8
Fischer & Porter	15 1/2	17	Taylor Instrument	33 1/4	35 5/8
FXR	36	39 3/8	Technology Inst.	7	8 3/8
General Devices	9 5/8	10 5/8	Tele-Broadcasters	5 1/2	1-1/16
G-L Electronics	7 1/4	8 3/8	Telechrome	11	12 1/4
Granco Products	3 1/4	4	Telecomputing	6 1/2	6 7/8
Gross Telecasting	19	21	Telemeter	10 1/4	11 1/2
Haydu	1/16	1 1/4	Time Inc.	61	64 1/2
Hewlett-Packard	21 1/4	23 5/8	Tracerlab	9 1/4	10 1/2
High Voltage Eng.	130	140	United Artists	6 5/8	7 3/8
Infrared Industries	16	18 1/8	United Control	19 1/4	21 1/4
International Rectifier	19 1/2	21 1/4	Universal Trans.	3 1/4	3 1/8
Interstate Engineering	18 1/4	20 1/8	Vitro	10 5/8	11 1/8
Itel	44 1/2	48 3/4	Vocaline	2 1/4	2 3/4
Jerrold	6 3/8	7 3/8	Wells-Gardner	14 3/4	16
Lab for Electronics	37	39 3/8	Wometco Ent.	12	13 1/8
Lel Inc.	4 1/2	5 1/4			

(\$130,692); administrative & general, \$205,365 (\$175,726); miscellaneous, \$9,124 (\$36,422).

The company's balance sheet shows total current assets as of Aug. 31, 1960 at \$2,007,479, vs. \$1,431,013 on the same 1959 date. Total current liabilities dropped to \$642,940 vs. \$951,928. Operating under the Bankruptcy Act, the company reduced its retained-earnings deficit to \$3,810,554 at the end of the fiscal year, from \$4,671,005 one year earlier and \$5,091,900 two years earlier.

\* \* \* \*

Wells-Gardner reports a 10% decline in sales and an 8% profit drop for the first 9 months of this year as compared with the same 1959 period (see financial table). Pres. Robert Alexander says the decline "is a reflection of reduced activity in the 3rd quarter this year as compared with the record 3rd-quarter sales of the preceding year." He adds that the final quarter probably will be an improvement over last year. The company's Sept. 30 backlog of orders totaled \$8.4 million vs. \$6.9 million a year earlier. He expects 1960 results about the same as 1959.

## Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Bosch Arma	1960—9 mo. to Sep. 30	\$ 93,289,510	—	\$ 981,976	\$ 0.49 <sup>1</sup>	1,885,254
	1959—9 mo. to Sep. 30	90,140,002	—	3,019,437	1.57 <sup>1</sup>	1,882,714
American TV & Radio	1960—year to June 30	1,094,360	—	14,206	—	—
	1959—year to June 30	1,109,493	—	19,263	—	—
Borg-Warner	1960—9 mo. to Sep. 30	451,458,928	\$ 37,956,097	17,839,366	1.96 <sup>1</sup>	8,936,994
	1959—9 mo. to Sep. 30	484,194,024	54,397,422	25,566,788	2.82 <sup>1</sup>	8,907,681
	1960—qtr. to Sep. 30	128,390,277	5,532,531	2,600,291	.28 <sup>1</sup>	8,936,994
	1959—qtr. to Sep. 30	156,390,427	15,481,729	7,276,412	.79 <sup>1</sup>	8,907,681

<sup>1</sup> After preferred dividends.

(Continued on next page)

**FINANCIAL REPORTS—Continued**

<b>Company</b>	<b>Period</b>	<b>Sales</b>	<b>Pre-Tax Earnings</b>	<b>Net Earnings</b>	<b>Per Common Share</b>	<b>Common Shares</b>
Clevite	1960—9 mo. to Sep. 30	73,097,662	10,430,985	5,109,985	.26 <sup>1</sup>	1,877,643
	1959—9 mo. to Sep. 30	62,448,415	9,833,654	4,811,654	.25 <sup>1</sup>	1,854,152
	1960—qtr. to Sep. 30	21,687,997	2,510,000	1,180,000	.60 <sup>1</sup>	1,877,643
	1959—qtr. to Sep. 30	19,651,000	2,741,000	1,414,000	.73 <sup>1</sup>	1,854,152
Corning Glass	1960—40 wks. to Oct. 9	165,481,036	32,491,333	17,580,333 <sup>3</sup>	2.58 <sup>1</sup>	6,754,600
	1959—40 wks. to Oct. 9	147,717,908	34,460,084	17,944,084	2.63 <sup>1</sup>	6,722,052
Espey Mfg. & Electronics	1960—year to June 30	3,696,853	—	167,680	1.07	155,721 <sup>1</sup>
	1959—year to June 30	3,016,418	—	162,833	1.04	155,721 <sup>1</sup>
Ferrodynamics	1960—9 mo. to Sep. 30	753,000 <sup>2</sup>	38,865	24,765 <sup>2</sup>	.08	—
	1959—9 mo. to Sep. 30	598,000	(12,300)	—	—	—
Gabriel	1960—9 mo. to Sep. 30	24,587,295	(66,738) <sup>5</sup>	(28,774)	—	675,838
	1959—9 mo. to Sep. 30	21,760,115	1,205,910	578,837	.84 <sup>1</sup>	675,838
	1960—qtr. to Sep. 30	7,697,464	197,430	98,027	.14 <sup>1</sup>	675,838
	1959—qtr. to Sep. 30	7,206,659	220,880	160,022	.15 <sup>1</sup>	675,838
General Bronze	1960—9 mo. to Sep. 30	22,935,168	555,452	292,452	.76	384,137
	1959—9 mo. to Sep. 30	27,254,584	1,283,254	655,253	1.71	383,937
Globe-Union	1960—9 mo. to Sep. 30	43,927,515	—	1,168,784	1.38	—
	1959—9 mo. to Sep. 30	46,117,251	—	1,414,597	1.67	—
Hallicrafters	1960—year to Aug. 31	29,374,490	—	907,777	.90	—
	1959—year to Aug. 31	25,417,364	—	689,037	.69	—
Hoffman Story on p. 19	1960—9 mo. to Sep. 30	38,659,460	529,431	252,431	.17	1,524,421
	1959—9 mo. to Sep. 30	34,261,157	3,291,366	1,565,366	1.04	1,506,322
	1960—qtr. to Sep. 30	14,723,910	276,377	129,377	.09	1,524,421
	1959—qtr. to Sep. 30	11,915,968	951,661	543,661	.30	1,506,322
Indiana General	1960—9 mo. to Sep. 30	14,948,502	2,089,126	1,027,196	.91	1,124,522
	1959—9 mo. to Sep. 30 <sup>a</sup>	14,762,855	2,154,535	1,135,775	1.01	1,124,522
International Resistance	1960—42 wks. to Oct. 23	17,150,228 <sup>2</sup>	—	1,705,942 <sup>2</sup>	1.23	1,385,798
	1959—42 wks. to Oct. 23	15,676,568	—	1,493,370	1.08	1,378,988
	1960—17 wks. to Oct. 23	6,796,051	—	659,970	.48	1,385,798
	1959—17 wks. to Oct. 23	6,267,440	—	656,769	.41	1,378,988
Meredith Publishing	1960—qtr. to Sep. 30	14,003,053	744,192	381,192	.29	1,332,186
	1959—qtr. to Sep. 30	14,167,884	2,379,106	1,264,106 <sup>2</sup>	.97	1,299,421
Minnesota Mining & Mfg.	1960—9 mo. to Sep. 30 <sup>11</sup>	403,146,898	98,134,365	50,134,365	.98	51,316,762
	1959—9 mo. to Sep. 30	363,332,469	90,098,317	45,698,317	.89 <sup>2</sup>	51,087,270 <sup>11</sup>
	1960—qtr. to Sep. 30 <sup>11</sup>	140,133,725	33,768,363	17,768,363	.35	51,316,762
	1959—qtr. to Sep. 30	125,973,824	31,901,243	16,101,243	.32 <sup>2</sup>	51,087,270 <sup>11</sup>
Muntz TV Story on p. 19	1960—year to Aug. 31	9,833,829	— <sup>9</sup>	860,541	.74	1,165,376
	1959—year to Aug. 31	6,728,906	— <sup>9</sup>	420,894	.36	1,165,376
MCA	1960—9 mo. to Sep. 30	—	9,251,346	4,484,073 <sup>2</sup>	1.11 <sup>1</sup>	3,995,735 <sup>11</sup>
	1959—9 mo. to Sep. 30	—	7,212,033	3,496,333	.86 <sup>1</sup>	3,995,735 <sup>11</sup>
	1960—qtr. to Sep. 30	—	2,735,799	1,354,626	.33 <sup>1</sup>	3,995,735 <sup>11</sup>
	1959—qtr. to Sep. 30	—	2,230,059	1,039,025	.25	3,995,735 <sup>11</sup>
NAFI Corp.	1960—8 mo. to Aug. 31	35,840,736	2,288,482	1,313,482	1.07	1,230,755
	1959—8 mo. to Aug. 31	15,558,748	883,138	711,138	.72	987,655
Oak Mfg.	1960—9 mo. to Sep. 30	13,487,660	889,913	432,913	.66	—
	1959—9 mo. to Sep. 30	13,458,098	1,510,106	733,106	1.12	—
	1960—qtr. to Sep. 30	3,840,847	61,345	31,345	.05	—
	1959—qtr. to Sep. 30	4,308,182	473,502	233,502	.36	—
Pacific Mercury Electronics	1960—year to June 30	21,512,931	—	196,855	.28	—
	1959—year to June 30	20,154,604	—	352,198	.50	—
Polarad Electronics	1960—qtr. to Sep. 30	2,649,585	—	47,255	.03 <sup>1</sup>	1,316,525
	1959—qtr. to Sep. 30	2,911,786	—	142,818	.11 <sup>1</sup>	1,299,992
Sperry Rand	1960—6 mo. to Sep. 30	561,352,778	19,374,666	11,774,666 <sup>12</sup>	.41 <sup>1</sup>	28,294,991
	1959—6 mo. to Sep. 30	553,761,569	33,430,064	19,030,064	.66 <sup>1</sup>	28,279,511
Texas Instruments	1960—9 mo. to Sep. 30	170,147,000	23,485,000	11,517,000	2.91 <sup>1</sup>	3,924,613
	1959—9 mo. to Sep. 30	140,899,000	21,132,000	9,877,000	2.50 <sup>1</sup>	3,914,630
	1960—qtr. to Sep. 30	51,096,000	7,133,000	3,596,000	.91 <sup>1</sup>	3,921,613
	1959—qtr. to Sep. 30	46,700,000	7,557,000	3,572,000	.89 <sup>1</sup>	3,914,630
Wells-Gardner Story on p. 19	1960—9 mo. to Sep. 30	16,122,424	993,812	482,812	1.14	—
	1959—9 mo. to Sep. 30	17,986,967	1,082,485	525,485	1.25	—
	1960—qtr. to Sep. 30	6,827,336	556,428	267,428	.63	—
	1959—qtr. to Sep. 30	8,927,139	773,463	371,463	.88	—
Zenith	1960—9 mo. to Sep. 30	183,952,012 <sup>2</sup>	—	8,577,752	2.88	—
	1959—9 mo. to Sep. 30	175,990,037	—	9,319,921	3.15	—
	1960—qtr. to Sep. 30	65,688,191	—	3,268,287	1.10	—
	1959—qtr. to Sep. 30	69,127,237	—	4,418,200	1.49	—

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Record. <sup>3</sup>Excludes non-recurring loss of \$1,868,418 from sale of investments. <sup>4</sup>Outstanding June 30, 1960. <sup>5</sup>Before \$37,964 tax credit. <sup>6</sup>Includes results, on a pooling of interest basis, of Indiana Steel Products and General Ceramics, merged Nov. 1959 (Vol. 15:40 p18). <sup>7</sup>Includes \$165,713 capital gains. <sup>8</sup>Adjusted for May-1960 3-for-1 split. <sup>9</sup>No federal income taxes apply because of tax loss carry-forward, which, at end of fiscal 1960, still amounted to about \$1.6 million. <sup>10</sup>Outstanding Sept. 30, 1960. <sup>11</sup>Includes operations of Mutual Best System from April 1, 1960. <sup>12</sup>Includes about \$1.2-million gain from June-1960 sale of photocopy plants & assets.

# 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

### **The Election**

**PORTEANTS FROM KENNEDY CAMP:** Bartley probable FCC chief, though he favors "rotation." Switches in top commission staff expected. An "unknown" likely to head FTC (p. 1).

**ELECTION COVERAGE ANOTHER VICTORY FOR TV.** At its peak, 3-network coverage drew all-time record of 83 million viewers in 33 million homes. NBC had audience edge (pp. 3 & 5).

**ORIGINAL OVERSIGHTER PERILED** in House election, Rep. Moulder (D-Mo.) facing defeat by Baptist minister. He launched initial probes of TV grants (p. 5).

### **Programming**

**AFTRA-SAG BLACKOUT LOOMS** over live and film commercials, live and/or tape programming—unless demands are met (pp. 3 & 6).

### **FCC**

**FCC WEIGHS PROGRAMMING QUIZ:** considers new application form requiring stations to seek out community needs and describe plans to meet them (pp. 4 & 7).

**FCC'S RESTRAINED "POLICE FORCE"**—Complaints & Compliance Div.—moving cautiously under Chief Harrington, has 10-to-12 substantial cases in works (pp. 4 & 7).

**FCC HEARING FOR KRLA** license renewal ends in Los Angeles; will reconvene in Washington (p. 8).

**FCC'S N.Y. UHF PROJECT** negotiates for tower & office space with Empire State Bldg., contracts for antenna-model testing (p. 8).

### **Technology**

**PROF. HUGHES'S COLOR CAMERA** to be demonstrated Dec. 6-to-8 with claim of great cost reductions (p. 8).

**PORTEANTS FROM KENNEDY CAMP:** You may be sure of one thing about this new administration: It has a far greater appreciation of the power of TV & broadcasting than any in history. It follows, therefore, that it will keep an extremely sharp eye on regulatory end of the business. Four words from President-elect Kennedy made that certain last week. Asked at his first news conference whether he could have won without the 4 "Great Debates," he said: "I don't think so." (See also p. 5.)

With no significant changes in Congress produced by elections (see p. 5), interest concentrates on regulatory agencies.

FCC will get new chairman and a new member. It's long been assumed chairmanship will be offered to Comr. Robert T. Bartley, Democrat who has served since March 1952 and whose term expires June 1965. It's still assumed—not only because he's House Speaker Sam Rayburn's nephew, but because of his long experience with broadcasting in industry, FCC and on Capitol Hill. Here's what Bartley said after election:

"I am not seeking the chairmanship. No one is urging me to take it. The only reason I am unwilling to give you a 'Sherman-type' statement is that I have for a long time favored rotation of the chairmanship. I think that each Commissioner should be willing to serve his turn in turn."

Asked to elaborate, to tell us whether he'd take or refuse the job if it were offered, he said he couldn't answer "iffy" questions. In any event, he said: "I want to be free to fight for rotation on the Hill." We think he'll take job if it's offered.

### **Consumer Electronics**

**TV-RADIO-PHONO** sales for 1960 appraised by industry leaders. Could be better—or far worse. Year's TV sales to be about same as 1959, phono sales near 5 million, radio around 10 million. October distributor TV sales down 27% from 1959 (p. 15).

**ELECTRONICS PROFITS** down 11% in 3rd quarter, 29-company sample shows. Consumer electronics drop 23%, large companies 11%, components profits unchanged (p. 16).

### **Stations**

**TERMS OF U.S.-MEXICAN BORDER AGREEMENT** show U.S. getting 14 new vhf assignments, Mexico 23 (p. 4).

**NEW STATIONS IN YOUNGSTOWN, O.** and Vancouver, B.C. raise on-air totals to 576 (U.S.) and 75 (Canada). Reports on other upcoming stations (p. 10).

**FLA. DEFENSE NETWORK LAUDED** by FCC in official commendations for "outstanding meritorious" work in broadcasting 24-hour Hurricane Donna warnings (p. 11).

### **Film & Tape**

**NEW HOUR SERIES ARE FAILING** to achieve impressive ratings despite success of previous 60-min. series (p. 9).

### **Finance**

**TV'S 3RD-QUARTER SLUMP:** Admiral & Motorola are latest TV set makers to report profit sags despite strong sales. Zenith hits dumping by competitors as factor in its profit decline (p. 19).

### **Other Departments**

**FOREIGN** (p. 6). **AUXILIARY SERVICES** (p. 11). **NETWORKS** (p. 12). **ADVERTISING** (p. 13). **PERSONALS** (p. 14). **EDUCATIONAL TELEVISION** (p. 14).

Chmn. Ford is expected to step down from chairmanship gracefully. He has always left us with impression he has no desire to enter private industry. His term expires in 1964 and he has had 21 years of govt. service. Republican Comr. King will be replaced by a Democrat as soon as Kennedy gets around to nominating one.

Top FCC staff positions will shift from Republican to Democratic hands. Hope at Commission, naturally, is that replacements will come from within staff—and this is likely if Bartley is chairman.

Bartley certainly doesn't believe in a "soft" FCC. Many times, he has asserted that Commission suffers too much interference from White House, courts & Congress. He regards the agency as an "arm of Congress" but believes that Congress restricts its own arm movements. He's strong for local station ownership, diversification of mass-media ownership, close scrutiny of station sales—particularly to multiple owners. He almost always votes to get more information on important sales, believes Commission is too much of a rubber stamp. In programming, he's a bug on "fairness" & discussion of public issues—emphatically believes FCC should be no mere technical "traffic cop." He's very fond of quoting Thomas Jefferson's: "But for God's sake, let us freely hear both sides!"

Expect no radical anti-industry action from Bartley. He's not so inclined in the first place. It's one thing to be a vigorous dissenter, another to be a leader of 6 other Commissioners.

Somebody from Kennedy's own consumer-championing brain trust may replace FTC Chmn. Earl W. Kintner, but it's unlikely that President-elect has anybody set for job yet. That's best guess at FTC, at least.

Democratic FTC Comr. Robert T. Secrest would be in line for job if promotion is made from within agency. That's considered improbable, however. Secrest has seniority over Comr. William C. Kern, the other Democrat on the 5-member FTC. Secrest also has good party credentials as former House member from Ohio. Moreover, he was on Commerce Committee. But like other present FTC members, Secrest is an Eisenhower appointee, and it's not in the political cards for the new administration to tap an Eisenhower holdover for the top job.

It's paradoxical that political axe must fall on Republican Kintner. He's been the most aggressive FTC chief in the memory of staff veterans, beating any New Dealer in his attacks on business frauds & monopoly. It would be good public relations, at least, for Kennedy to ask Kintner to carry on as FTC member. He could be dropped into minority FTC spot held now by lame duck Edward K. Mills Jr., who was given recess appointment (replacing GOP Comr. Edward T. Tait) as consolation prize after he backed out of FCC appointment. But Kintner probably wouldn't take demotion, preferring private practice (at much more than the \$20,500 he gets now) to playing secondary role on FTC after the splash he's made, particularly in TV advertising & payola cases.

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In any event, Kennedy administration can be expected to move for more—not fewer—Kintner-type anti-fraud & anti-monopoly doses from FTC.

Other important top Washington positions will change hands. There will be a new Attorney General in place of William Rogers, and a substitute for his anti-trust assistant Robert Bicks. Actually, the business community may welcome this—for they've been tough. Other changes in cabinet will have important but less direct effect on TV & radio.

Kennedy spoke during campaign about "influence" on regulatory agencies, said even Congress should keep hands off.

A study of agencies is planned, at any rate, and Kennedy said he had asked James M. Landis to report by Dec. 15 on what can be done to improve "the effective dispatch" of agency business. Landis was the New Deal Jack-of-all-agencies, having been an FTC member & SEC Chmn., then Harvard Law School dean. As counsel for Skiatron Electronics & TV, he was strong pay-TV proponent. Recently, he represented Skiatron before SEC in stock-registration case (Vol. 16:3 p19 et seq.). He conceded at outset that the company made "obvious errors" in stock deals, pleaded only that no bad faith had been shown.

One piece of legislation with much improved chances is Sen. Magnuson's (D-Wash.) \$51-million ETV bill. Senate passed it in last Congress; House Commerce Committee approved another version—but Eisenhower was opposed and Rules Committee killed it. Both Kennedy & Nixon went on record favoring it.

**ELECTION ANOTHER VICTORY FOR TV:** Television scored a massive audience success on election night as networks fulfilled their promises of fanciest-ever reportage. Viewer interest mounted as Presidential race see-sawed during evening. Peak audience for 3 networks came at 10-to-10:30 p.m., reported Arbitron, with 33 million homes (nearly 3 out of every 4 TV households) tuned and 83 million viewers watching. Election peak thus surpassed biggest debate audience by 8 million viewers and left the all-time TV audience record difficult to top in future.

Division of audience among networks was a continuation of the trend that began with the convention coverage and which continued through campaign specials & TV debates. NBC walked off with largest election audience, despite CBS efforts to throw its biggest news names (except for Edward R. Murrow, ill with "a touch of pneumonia") and slickest gimmicks against NBC's Huntley-Brinkley duo. During the long hours of coverage, there was undoubtedly considerable channel-hopping by millions of viewers. But Arbitron figured the final 7:30-to-11 p.m. split, in terms of "total home hours of viewing for each network," as 51% for NBC, 38% for CBS, and 11% for ABC (see p. 5).

Close contest provided a surprise bonanza to sponsors. Networks had figured the big race would be decided before midnight. As the morning hours rolled by, participation sponsors on NBC and ABC, and Westinghouse on CBS, got a substantial fringe-time bonus with their duration-of-show commercials. Overtime coverage also boosted out-of-pocket contribution this season by networks to U.S. politicking. By network estimates, the extra unpaid tab for program costs totaled nearly \$600,000. To this must be added theoretical value of extra post-midnight time and Nov. 9 daytime pre-emptions, representing possibly \$750,000. This would reach the grand total (adding to Sponsor's Nov. 7 estimate) of a \$21,350,000 cost to the TV broadcast industry in the performance of discharging its 1960 political responsibility.

**AFTRA-SAG BLACKOUT:** Threat of major talent strike hangs over network & spot TV this week. Green light was given to AFTRA officials by union members (via meetings in N.Y., Chicago and Los Angeles) to call a midnight Nov. 15 walkout unless network & union find area of agreement on new union demands. SAG is seeking similar mandate from its members via mail balloting, expects to have results Nov. 1.

Biggest hassle involves commercials of all kinds, both live and/or tape or film, network or spot. At network level, both unions want moderate increases. In spot, they are seeking a new "unit system" payment scale that will operate something like syndicated film marketing in which price is determined by market size. (For union demands, see p. 6.)

There's also a quarrel in program-talent prices, but it wouldn't cause as many headaches as commercials problem. In programs, AFTRA wants approximately 10% increase in live and/or tape minimum talent scales, bigger residuals, and retention of present payment scale for overseas showings of tapes or kinescopes of live shows. Film programs (which represent about 80% of regular nighttime network fare) aren't affected, since SAG made peace earlier with telefilm producers and AFTRA has no jurisdiction in film.

Backlogging has been circumvented by unions in both commercials and program areas—a factor which may cause havoc with many Christmas-season commercials and special programs. Preparing for possible strike, unions have required producers & talent to work with clear understanding that affected commercials & programs produced since Sept. 14 will not be televised after Nov. 15 in event of walkout. This may force networks & advertisers to use former winter-season commercials and last year's taped Christmas shows. AFTRA strike would affect live & tape shows and commercials; SAG's would hit film commercial production. Even if SAG votes Nov. 21 to strike, as expected, producers will still have time to grind out some film commercials after Nov. 15 start of any AFTRA walkout.

Strong hint that technical unions might join walkout has been made in N.Y. by AFTRA & SAG. Contracts for key unions, NABET & IBEW, expire with networks within next 2 months, and joint strategy sessions have been held by the technical & talent unions concerning mutual aid. Networks, so far, have been adamant in refusing to meet AFTRA-SAG demands, and have received tacit backing of advertisers, agencies & their respective trade groups.

Agreement with unions will undoubtedly raise cost of TV advertising. Just how much, nobody knows yet. Network-level demands would raise program-&commercials cost of live and/or tape shows somewhat. Talent costs in commercials for spot would jump sharply, but talent has always been a small fraction of spot's total cost as compared with network's.

**FCC WEIGHS PROGRAMMING QUIZ:** FCC's long-planned effort to upgrade programming by requiring stations to seek out community needs and tell Commission what they intend to do to meet them comes up for discussion this week (Monday Nov. 14) in a special meeting. Undoubtedly, it will be first of several meetings, and initial proposals will be modified—but it's understood that the new ideas up for Commission consideration would require stations to:

- (1) Give narrative description of service area.
- (2) Tell needs of population served and what station plans to do about them.
- (3) Supply detailed information on broadcasts of editorials & public issues.
- (4) Discontinue supplying Commission with percentage breakdown of program types.
- (5) Eliminate practice of showing amount of sustaining time.
- (6) Revise definitions of "spot announcements" and "commercial programs." (For details, see p. 7.)

**FCC'S RESTRAINED 'POLICE FORCE':** "I hope to work myself out of a job in a couple of years." That's the philosophy of FCC's top "sleuth"—Complaints & Compliance Div. chief John C. Harrington—as expressed in his first interview last week.

Commission has kept Division's work quiet, giving it time to get organized, feel its way—and to keep "raw" unsifted material from seeping out & producing unnecessary harm.

There's nothing of the wild zealot or gumshoe about Harrington or his mode of operation. He's quiet, affable attorney who intends to lean over backwards to keep Commission clear of charges of "censorship."

Staff has made 10-to-12 field investigations of important charges so far. Only one has received FCC action to date—"contest fraud" charges against radio KWK St. Louis (Vol. 16:45 p2). Harrington hopes for action on several more before Christmas. Most of these involve serious payola cases, in which licensee himself seems to be in on an illegal "take."

Commission gets 40-to-45 complaints daily. Harrington said most can be answered with letter saying in effect: "FCC can't tell stations how to program. If you don't like the material broadcast, tell the station, not us." Complaints include such things as: "Why did CBS cut soap operas?" "Too many commercials." "Too much sex & violence."

Basic difference between Commission's present & previous operation in complaints area, Harrington said, is that there is now manpower to go into matters more thoroughly and to look at a station's whole record. Division has 19 people—12 professionals, mostly attorneys, and 6 clerical. (For more details on Division's work, see p. 7).

**TERMS OF U.S.-MEXICAN BORDER AGREEMENT:** U.S. will get 14 new vhf assignments, Mexico 23, under terms of new U.S.-Mexican border agreement negotiated recently (Vol. 16:45 p5). Little difficulty in securing formal ratification is anticipated.

New U.S. assignments, we've learned, are as follows: Ariz.—Nogales, Ch. 11; Prescott, Ch. 7. Cal.—El Centro, Ch. 7 & 9; Bakersfield, Santa Barbara, Santa Maria, Lompoc, Ch. 12. N.M.—Silver City-Truth or Consequences, Ch. 6. Tex.—Del Rio, Ch. 10; San Angelo, Ch. 6; Marfa, Ch. 3; Ft. Stockton, Ch. 5; Presidio, Ch. 7; Sonora, Ch. 11; Brady, Ch. 13; Bouquillas, Ch. 8.

In Mexico, following are added: Baja California—Mexicali, Ch. 5; Santo Tomas, Ch. 2; Santa Catarina, Ch. 12; Rosario, Ch. 8. Chihuahua—Hidalgo Del Parral, Ch. 12; Nuevo Casas Grandes, Ch. 8; Ciudad Cuauhtemoc, Ch. 9; Ciudad Delicias, Ch. 13; Madera, Ch. 13; Ciudad Camargo, Ch. 10; Ciudad Jimenez, Ch. 8; San Buenaventura, Ch. 10; Ojinaga, Ch. 6. Coahuila—Saltillo, Ch. 7; Nueva Rosita, Ch. 4; Monclova, Ch. 9; San Vicente, Ch. 2. Nuevo Leon—Monterrey, Ch. 12. Tamaulipas—Matamoros, Ch. 2; La Rosita, Ch. 8; Ciudad Victoria, Ch. 11 & 13; Ciudad Mante, Ch. 5; Soto la Marina, Ch. 3. San Luis Potosi—Matehuala, Ch. 9. In addition, Ch. 11 is deleted from Nogales, Sonora, Ch. 12 from Reynosa, Tamaulipas.

Agreement also provides: (1) Maximum powers will be 100 kw for Ch. 2-6, 325 kw for Ch. 7-13. (2) Future changes in assignments will be accomplished by a simple notification procedure if minimum separations are complied with; other changes will be effected through negotiation. (3) Co-channel minimum separations are specified—220 mi. within a specified zone, 190 mi. outside; adjacent-channel minimum is 60 mi.

## The Election

### More about

**TV & THE ELECTION:** Computers figured prominently in the efforts of the networks (see p. 3) to outdo each other in their coverage of the climactic event. Said the *N.Y. Times'* Jack Gould: "The overly touted superduper electronic computers in the main were immensely reassuring. Their systematic prevarication was positively human."

But the computer battle probably bewildered audiences as much as it informed them in early reportage. Eager to score a first, ABC sprang an early Univac prediction (10-to-1 odds for Nixon) soon after 7 p.m. Armed with an IBM 7090, CBS predicted for Nixon (with over 450 electoral votes) at 7:27 p.m. NBC wisely played a waiting game until 8:22 p.m., when its RCA 501 had a bigger sample to analyze, called the shot for Kennedy (6.3-to-1 odds). Computer odds shot up & down on all 3 networks all night, seldom agreeing at any moment, but running steadily in Kennedy's favor after 9 p.m.

IBM took full-page newspaper ads Nov. 9 in N.Y. and other key cities to ask: "Who won the computer battle last night?" IBM's answer: "You did . . . You saw the fastest, most complete coverage in history. All 3 systems helped the networks do a better reporting job . . . The real significance of what you saw lies in the computer methods that were demonstrated." But NBC, in its own ad, pointed out: "The RCA 501 was the only computer used by the networks that did not project a Nixon victory." The computer, however, was clearly here to stay as a standard prop in network election coverage.

The rapidity of the vote count was a credit to TV—something that was clearly demonstrated in cut-aways to Democratic & Republican hqs where old-fashioned chalkboard scores (fed, usually, from wire services) were noticeably lagging behind the TV-reported figures. All 3 networks did a good statistical job, although NBC's speed got the real accolade when David Brinkley mentioned that a wire service had asked that network to hold the figures on the screen long enough to be jotted down.

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Did the TV debates turn the tide for Kennedy? Last week there were many indications that, in one of the nation's closest races, they did. Stated National Democratic Chmn. Henry Jackson: "The biggest single factor was Mr. Nixon's getting into the TV-radio debate with Mr. Kennedy." Said campaign mgr. Robert Kennedy: "I don't think that it would have been close without the debates." (Underlining this opinion, Kennedy also added that his brother probably wouldn't agree to a debate series in 1964 if he chose to run again.) Robert G. Spivack, *N.Y. Post* correspondent, stated that President Eisenhower had told intimates during his trip to Pittsburgh and Cleveland that "many of Nixon's troubles could be attributed to the 'mistake' of agreeing to the TV debates." Similar opinion was voiced by sources ranging from the *Wall St. Journal* to UPI columnist Lyle C. Wilson who called the agreement to debate "a ghastly mistake" by the Nixon forces. A curious footnote was also provided by Motivation Research Associates Pres. Emanual Demby, who stated that Kennedy really won because he projected a "balanced masculinity."

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By-product of debate & election TV has been another round of sales of prime-time network public-affairs shows.

Continuing a trend noted here earlier (Vol. 16:3 p14 et seq.), the newest advertisers are signing up in anticipation of large audiences that buy regular consumer products, not mere minorities to which advertisers can perhaps promote a corporate image. At CBS-TV, Philip Morris—which has already sponsored 2 *CBS Reports* specials—signed last week for 3 more 60-min. shows, which will carry the series to the end of 1960. At NBC-TV, Gulf Oil has allocated \$1.2 million to pay the time charges for a series called *NBC Special News Reports* which the network plans to do for 1960-61. Because all the shows will be of a current news nature, NBC is assuming production costs, on the theory that the network would be bound to air several news specials anyway. Thought-provoking sidelight: In both cases, sponsors will have no control whatever over the shows' production & planning, although they'll be advised of subject matter.

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WMCA-TV granted equal time to Henry Cabot Lodge for a Nov. 7 pro-Nixon rebuttal to the radio station's pre-election endorsement of Kennedy. The Republican Vice-Presidential candidate responded at virtually the 11th hour to WMCA's Oct. 25 invitation.

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**Original Oversighter Periled:** The first chmn. of the House Commerce Legislative Oversight Subcommittee—Rep. Moulder (D-Mo.)—may be missing from the ranks when the 87th Congress convenes in Jan.

A 6-term veteran, Moulder apparently was defeated for re-election by Republican Robert A. Bartel, a Baptist minister. When the polls in the 11th Mo. district closed Nov. 8, Moulder trailed Bartel by 164 votes. He was reported picking up some votes in a Nov. 11 count of absentee ballots, but the final outcome of the contest may depend on a GOP challenge of their validity. GOP state chmn. H. Kenneth Wangelin said "a great many complaints" about election frauds in Missouri, which went narrowly for John F. Kennedy, "involved the handling of absentee ballots."

Moulder organized the initial Oversight Subcommittee staff with Bernard Schwartz as chief counsel. Together, they started the investigating unit on its sensation-packed probes of hanky-panky in FCC's TV grants. Following Schwartz's dismissal early in 1958 in a dispute with Commerce Chmn. Harris over hearing tactics, Moulder quit the chairmanship, which was taken over by Harris himself.

Subsequently, Moulder withdrew in obvious pique from the Subcommittee. He was most recently in the news nationally when he was identified in newspaper-magazine exposés as a junketing member of Congress who had run up bills in the Persian Room of N.Y.'s Plaza Hotel on a govt. expense account (Vol. 16:23 p10 et seq.).

Definitely missing from the House Commerce Committee next session will be its next-to-last ranking Democrat—Rep. Brock (Neb.). Brock was defeated for re-election by Republican Ralph F. Beerman. All other committee members—Democrats & Republicans alike—were re-elected.

Only 4 members of the counterpart Senate Commerce Committee—Democrats Thurmond (S.C.) & Bartlett (Alaska) and Republicans Schoeppe (Kan.) & Case (N.J.)—were up for re-election. All won.

Of the new members of Congress, at least one comes directly out of the broadcasting business. He is Republican Donald C. Bruce, business mgr. of radio WIRE Indianapolis, who took a House seat away from Democratic Rep. Barr. Bruce joined WIRE in 1948 as a news commentator, became program dir. in 1957 and business mgr. last year.

## Programming

### More about

**AFTRA-SAG STRIKE THREAT:** A complex new scale for both live & film talent appearing in TV commercials is being sought by AFTRA and SAG (see p. 3).

Present talent scales for spot-used commercials, unlike the payment scales to syndicators for spot-used film programs, don't consider the size of the TV market in which spot commercials are televised—with minor exceptions. Commercials (60-sec., station-break, station ID, participations) telecast in N.Y., Los Angeles and Chicago mean a small premium payment to actors & announcers (but not big enough, according to AFTRA). Other cities, Detroit and Sacramento, for example, are considered as having equal weight, despite obvious difference in size.

Under present AFTRA scales, a 60-sec. live and/or tape commercial featuring 2 on-camera performers used (via duplicate tapes & film transfers) on a spot basis in 155 markets involves a minimum talent cost of about \$520 for each 13-week run. Under AFTRA's new unit system, the talent costs would be approximately tripled. Similar increases would result for SAG talent in film commercials.

### "Unit" Blends Price & Population

The unit system works on 2 levels: Population of market and price-per-unit. Basically, a "unit" equals about 500,000 population (Thus, the N.Y. TV area would be 21 units, Chicago 12, Detroit 7, etc.). Each unit would equal \$15 to talent for the first 10 units, then \$7 for the next 30 units and \$1 per unit thereafter. Networks & advertisers don't really object to the unit concept; it's the price-asked-per-unit that's been the stumbling block.

AFTRA, however, calculates that even its full unit-concept package would represent only a 3% increase in the total annual time-&-talent costs of nationally-placed spot TV. Although SAG hasn't officially announced its spot TV demands, it is understood in Hollywood that the Guild's proposed talent increases for commercials parallel AFTRA's closely, and are based on a similar unit system.

Other AFTRA-SAG demands: For live or taped network commercials, AFTRA wants a slight increase in minimum fees (from \$93 to \$95 per session) plus 100% repayment to talent on the first commercial rerun; SAG wants an upgrading to equal AFTRA payments. AFTRA also wants an increase in talent scales for rerun tape programs. Currently, AFTRA talent gets 75% of minimum on the first rerun, lesser amounts on other reruns, nothing after the 8th replay; AFTRA now seeks 100% on the first rerun, more on the others, and 5% on every rerun after the 8th replay. AFTRA wants to retain its present deal for overseas reruns, whereby talent gets 45% of minimum for worldwide outside-U.S. program exposure; SAG, which has no overseas film residuals for actors, wants a deal that approximates the AFTRA arrangement. In radio, AFTRA wants a sizable increase (approximately double present rates) for sportscasters handling championship sporting events aired on radio networks; SAG is not involved.

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NBC will again produce "Peter Pan" as a one-shot special with Mary Martin Dec. 8—but it will be the last live production of the play for awhile. Although a recording of the show was made of its last (1956) telecast, NBC does not consider it "suitable" for airing. This time, the 2-hour show will be color-taped, with NBC retaining rights to repeat it 4 on 5 times in future.

"Positive" public influence on TV programming & commercials is necessary to help broadcasters assure high TV standards, TIO's dir. Louis Hausman told the Baltimore Rotary Club last week. Gist of his proposals: "Students should become literate in TV as well as print to develop better critical standards . . . We need more sponsorship support for public-affairs programs . . . Businessmen with a part in approving commercials should employ the very taste & restraint that they would like to see exercised in the programming itself . . . The public has more sense & judgment than the critics give it credit for, but viewers must continue to exercise rigorous discrimination by rejecting the less imaginative . . . programs & commercials."

Late-night 60-min. film reruns of shows in the Warner Bros. backlog are planned by ABC-TV as an 11:15 p.m.-12:15 a.m. rating rival for NBC-TV's *Jack Paar Show* early in 1961—as we predicted last season. Since the idea first hatched, ABC has been quite sounding-out affiliate reaction to a late-night Mon.-to-Fri. series, and even cautioned affiliates against stocking up on high-priced feature films for use after 11 p.m. An informed source outside ABC told us that ABC's offer to Warner Bros. for reruns of *Alaskans*, *77 Sunset Strip*, *Bourbon St. Beat*, etc. is about \$25,000 per negative, for the first replay. The ABC plan calls for 60-sec. sponsor participations on the network as well as breaks in the shows for local ABC stations.

Union dues were spent to produce TV films & radio tapes for Democratic candidates in the election, according to a complaint filed with the Justice Dept., where it was reported "under study." Source of the protest wasn't disclosed, but a Justice Dept. spokesman said it involved reports that the Washington office of the AFL-CIO's United Automobile Workers provided the TV & radio material for favored candidates, paying for it out of dues. Such contributions by corporations & labor unions are illegal.

Another M.I.T.-produced series will be aired. (The first this season was CBS-TV's *Tomorrow* specials which debuted Oct. 26.) This time, it's local-level and will be seen on WNEW-TV N.Y., having begun Nov. 13. The 39-week series, *Science Reporter*, will emphasize "new developments in all areas of science," and will be drawn from current work going on at M.I.T. & Harvard.

## Foreign

Australian commercial TV licenses were granted by the Bestg. Control Board last week for 13 "country areas," ending contests by 45 applicants. The biggest plum was the capital city of Canberra (pop. 45,000) for which 5 companies applied. Licenses granted (ownership of licensee corporations not yet announced): Capital Territory—for Canberra, to Canberra TV Ltd. • New South Wales—for Newcastle-Hunter River, to Newcastle Bestg. & TV Corp.; for Illawarra, to TV Wollongong Transmissions Ltd.; for Richmond-Tweed Heads, to Richmond Tweed TV Ltd.; for Central Tablelands, to Country TV Services Ltd. • Victoria—for Ballarat, to Ballarat & Eastern Victoria TV; for Bendigo, to Bendigo & Central Victoria Telecasters; for Latrobe Valley, to Eastern Victoria TV; for Goulburn Valley, to Goulburn-Murray TV. • Queensland—for Darling Downs, to Darling Downs TV; for Rockhampton, to Rockhampton TV; for Townsville, to Telecasters (North Queensland) Ltd. • Tasmania—for Northeastern Tasmania, to Northern TV Ltd. Australia currently has 1.25 million TV sets served by 18 stations, of which 10 are commercial, 6 run by Australian Bestg. Commission.

## The FCC

### More about

**FCC's INVESTIGATIVE ARM:** About 1/3 of all U.S. stations have never had a single complaint of any kind against them, as far as FCC files show. So Says John C. Harrington, chief of the Commission's new Complaints & Compliance Division. He added, in an interview last week (see p. 4), that the fact that a station does have complaints on file doesn't necessarily mean anything.

Harrington divides station operators into "broadcasters" and "licensees." The former try to do a job, he said, and the latter want only the quick buck. Happily, he noted, only about 100 operators can be called "mere licensees."

The Division really didn't get going until Sept., and Harrington believes it's now working reasonably well. The 12 professionals on the staff have substantial experience, and are well-paid by government standards—getting \$9,000-to-\$10,000 or slightly more.

First important task was disc-jockey payola. Some 600 license renewals had been held up pending investigation, but most were cleared quickly, Harrington said, when it was determined transgressions were minor & had stopped.

The more serious cases under investigation now include fraudulent contests, such as those charged against radio KWK St. Louis (Vol. 16:45 p2), and licensee payola.

### Dry-Run Monitoring Begun

Monitoring-in-depth—the full-time observation of a city's stations—hasn't started yet, and Harrington said that there are no immediate plans to begin: "It takes an awful lot of time." However, 3 stations have been monitored to some extent—in W. Va., N.C. & Fla.—just to give investigators a "check list," to learn what to look for. Among things his staff watches, Harrington said, are stations which fail to identify themselves properly. "For example," he said, "a suburban station may never really identify itself, leading the listener to believe it is assigned to the major city."

The Commission has hired no outside organizations to monitor. "It's hard enough to keep FCC work confidential."

The Division deals only with stations, not sponsors, Harrington said. Although, he added, people who complain about programming are urged to write to sponsors & networks as well as to stations.

There are some complaints from station competitors, but not a lot, Harrington reported. He indicated that competitors believe such action may invite a Commission examination of their own operations. "We get some anonymous complaints," he said, "that we know are from competitors. We also get reports from disgruntled employees."

A liaison with FTC is maintained, Harrington said, and the 2 agencies exchange complaints about fraudulent ads—particularly when there are repeated charges. If FTC issues a cease-&-desist order against an advertiser, FCC notifies any stations it knows to be carrying the offending commercials. "Stations are generally pretty careful," he said. "Most do make a try to pick their clients."

Harrington has not yet established a liaison with NAB, though "we've talked about it."

The Commission doesn't send copies of complaints to the stations involved. "This might be interpreted as 'hinting' or 'censorship,'" he said.

Charges of vulgarity, obscenity, etc., "aren't as prevalent as you might think," Harrington reported.

### More about

**FCC & STATION PROGRAMMING:** FCC's first formal discussion of an intra-Commission draft of the proposed changes in the application forms dealing with program plans (see p. 4)—called a "Statement of Program Service"—includes the following suggested requirements of stations:

- (1) Description of service area, including population, foreign language & minority groups, agricultural groups, educational & religious institutions, cultural & recreational facilities, number of TV & radio stations, number of newspapers, principal industries.

- (2) Report on results of a recent survey of community needs & interests.

- (3) Report on results of discussions with area leaders—including public officials, clergymen, educators, spokesmen for business, labor, professions, agriculture, *et al.*

- (4) Description of steps taken to produce a program schedule making use of foregoing surveys & discussions.

- (5) Description of how complaints have been & will be handled.

- (6) Report on the handling of editorials & controversial issues, including procedures followed to guarantee fair presentations—plus a full description of a few specific broadcasts on local public issues.

- (7) Description of methods used to promote local expression & develop local talent.

- (8) Statement as to whether station has a specialty.

- (9) A breakdown of programming—in terms of hours, past & proposed—of recorded, live or network, counting only programs that run 4½ minutes or longer. A further breakdown would describe the programs as religious, instructive, public affairs, agricultural, news, sports, entertainment, etc.

- (10) Total of spots per week, with separate totals for those 60 sec. or less and those more than 60 sec., with breakdown by major time periods (6 a.m.-6 p.m., 6 p.m.-11 p.m., other).

- (11) Description of policy regarding number of spots per 15-min. segment and the maximum commercial time permitted for programs of various lengths.

- (12) Copy of the log for the composite week.

- (13) Description of programs devoted to promoting businesses in which applicant's principals have financial interests.

- (14) Statement on plans for staffing each department, including names & residences of managers & dept. heads.

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Precedent was set in Boston's U.S. District Court Nov. 7 when Judge Francis Ford held that FCC has primary jurisdiction in equal-time disputes. Write-in Congressional candidate David Franklin had demanded equal time on WGBH-TV's *Ask the Candidate* program and was rejected on the grounds that the show was a bona fide news series and therefore exempt. Franklin went to the Court for an injunction, the first time anyone has gone to a court before appealing to the FCC. WGBH-TV counsel Ernest Jennes urged immediate dismissal on the "FCC-has-primary-jurisdiction" grounds; Judge Ford agreed, ruled from the bench immediately.

CPs granted: Ch. 43, Visalia, Cal., to Sierra Bestg. Inc.

- Ch. 8, educational, Phoenix, to Board of Regents of the Universities & State College of Arizona • Ch. 77 & Ch. 80 translators, Mason, Tex., to Ft. Mason Translator System.

**KRLA Probe Moves to Washington:** FCC's hearing on license renewal of KRLA Pasadena (Vol. 16:45 p10), adjourned last week in Los Angeles, to resume in Washington on a date to be announced soon.

Focal points: Does nominal owner Donald Cooke or his brother, Canadian broadcaster Jack Cooke, actually own & control the station? Was there intent to deceive in a disc-jockey contest? Were station logs for Oct. 18-24 accurate?

Donald Cooke introduced 200 pages of memoranda & instructions as evidence that he was the one who issued instructions to personnel at KRLA. The brothers have never denied Jack Cooke's active help, financially and in other ways, but insist that it was on a brotherly basis, with Donald retaining control.

Ex-KRLA auditor Vern Dobson testified he could not recall receiving any instructions on fiscal operation of the station until Jack Cooke discussed them with him. Counsel for Donald Cooke then introduced a memo sent to ex-gen. mgr. Loyal King, with a carbon to Dobson, telling them in detail how the station should be operated. On cross-examination, Dodson said he recalled the memo. Both Cookes had previously testified that Donald had trouble conveying instructions to Dobson, so Jack had told Dobson in detail how balance sheets should be handled.

Boston Ch. 5 "influence" case should be turned back to FCC by the Court of Appeals, Commission said last week. Filing a court memorandum reviewing its actions & recommendations in the case against WHDH-TV (Vol. 16:45 p6), FCC urged that "the entire matter" be remanded for further proceedings looking toward a new grant. The memorandum said the Commission wanted to make "early disposition of all questions as to the validity of the original grant to WHDH and of the necessity for further comparative evaluation of the applicants." These were among FCC findings reported to the court: (1) No FCC member should have disqualified himself in the Ch. 5 case. (2) "There were attempts to influence members of the Commission, but no actual influence occurred." (3) No applicant was disqualified, but "the grant to WHDH is voidable and . . . action should be taken to set it aside." (4) Conduct of WHDH-TV & applicant Mass. Bay Telecasters was "such as to reflect adversely" on them.

Amendments to Communications Act remain high-priority items at FCC. It's understood that the Commission has decided to recommend a change in Sec. 5(c) to allow more use of its Office of Opinions & Review (Vol. 16:43 p5). Its staff has recommended that the Commission be permitted to consult with its chief engineer & its gen. counsel in adjudicatory proceedings. Another staff suggestion is that panels of one or more Commissioners be delegated the authority to hear & decide adjudicatory matters. The Opinions & Review and Broadcast Bureau staffs dissent on that one, arguing that processes would be slowed. A 3rd staff recommendation is that hearing examiners be permitted to consult with each other on questions of law.

Ready to take over Ch. 10 Miami any time the courts say so, L. B. Wilson's WLBW-TV filed with FCC last week a request to start. The station reports it has spent \$770,-648, completing construction Nov. 4. FCC had ruled that Wilson should take over from National Airlines' WPST-TV, but latter's court appeal is still pending.

Proposed restrictions on station sales (Vol. 16:45 p1) are scheduled for FCC consideration Nov. 22. The Commission meeting that week will be held on Tuesday.

**FCC's N.Y. Uhf Moves:** FCC has begun to spend some of the \$2 million Congress gave it to conduct the N.Y. uhf experiment. It is now in the process of negotiating an agreement with the management of the Empire State Bldg., for tower-mounting rights, office space and electric power.

The Commission wants to rent offices on the 80th floor, is being asked \$14,000 a year. The tower rights would run \$80,000 annually. In addition, if more power must be constructed to handle the extra load, the Commission will be required to pay up to \$25,000 for it.

A contract of \$8,000 for the testing of an antenna model has been awarded to Melpar, and the job is to be completed in 6 weeks. In addition, the design for a "very promising" antenna has been submitted by Smith Electronics, Brecksville, O., and it has been told to go ahead although contract hasn't been signed yet. The price is about \$12,000 and the tests would take 6 weeks.

One job has been completed—the study of tuner design by Airborne Instruments Lab—at a cost of about \$9,000.

Lots of trouble faces Gila Bestg. Co., operator of Ariz. Radio Stations KCKY Coolidge, KCLF Clifton, KGLU Safford, KVNC Winslow & KZOW Globe. All its renewals are in hearing status, with the FCC exploring whether principals have been involved in illegal relinquishment of control, illegal transfers, misrepresentations to the Commission, etc. Recently, Gila asked permission to take all the stations off the air for 90 days, on the grounds that it couldn't afford to operate them. The Commission denied the request last week, wiring: "No financial statement or other information offered to support allegations [of] financial distress or [to] show money not available [to] meet current operating expenses. Absence of other broadcast service raises serious question whether cessation would serve public interest . . . Failure [to] maintain service will be considered in connection with pending & future applications." Comrs. Hyde & King dissented.

## Technology

**Prof. Hughes's Color Camera:** Solution to problem of small-station color economics is in sight, according to Prof. William Hughes, Iowa State U., Ames. He plans to demonstrate a live color camera at Ames Dec. 6-8—with the claim that it can be built to sell for half the price of current cameras and that b&w cameras can be converted to color for about \$10,000.

Hughes has for years been describing his unusual color-film system. It puts color information on b&w film which can then be run through a film chain and produce color. The forthcoming demonstration will be his first with a live camera.

B&w tape recorders can also handle color with his system, Hughes says, eliminating the need for a \$20,000 color attachment. He isn't prepared to demonstrate this now, he says, but "it's perfectly feasible." It's "okay for thermoplastic recording, too," he adds.

The system has "automatic color balance," he reports, "reducing color-drift correction from 3 adjustments to one, thus making the entire color system much more stable than now." A key factor to the whole system, he states, is a data-storage feature.

Representatives of networks, manufacturers, stations, etc. are being invited to the demonstrations.

Hughes leaves for Stillwater, Okla. shortly, taking over Jan. 1 as electrical engineering school head, Okla. State.

## Film & Tape

**New Hour Series Sag:** This season's new 60-min. entries have thus far failed to impress either rating statisticians or critics. Not that viewers don't like hour shows—the ratings are still big on such holdovers as *Wagon Train*, *The Untouchables* and *77 Sunset Strip*.

Hollywood observers speculate that the new entries haven't made the grade because on the whole they are imitations. This appears to be substantiated by the fact that the only new 60-min. series to have drawn critical hurrahs, if not good ratings, is live & different *The Witness*, on CBS-TV. *Surfside 6*, however, labeled by some as a floating version of *77 Sunset Strip*, is rating well, and Hubbell Robinson Jr.'s *Thriller* has won 13-week renewal.

Screen Gems' *Dan Raven* and Revue Studio's holdover *Riverboat*, both 60-min. series, have been the first casualties of the season. And, on the whole, there is uneasiness about such 60-min. shows as *The Islanders*, *Hong Kong*, *Michael Shayne*, *Stagecoach West*, *The Aquanauts* and *The Roaring 20s*.

CBS-TV slotted *Aquanauts* and ABC-TV put *Hong Kong* in the 7:30 Wed. slot opposite powerful *Wagon Train*, in an apparent bid to capture some of NBC-TV's audience. Thus far these attempts have failed.

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No replacement for Ward Bond, *Wagon Train* star who died Nov. 5, is planned by Revue Studios. Explained Producer Howard Christie: "I don't think he could be replaced as Major Seth Adams. We'll see what happens." Bond's stockpile of films not yet seen insures that his last appearance will not occur until sometime in February. There is thus ample time to discuss what course to take. Christie indicated to us that Revue is considering introducing a new character to co-star with Bob Horton, rather than seeking another actor for the Adams role. Among those who have tendered aid is John Wayne, pal of Bond's, who offered to guest in 2 or 3 shows. It's an unprecedented situation; never before has the star of a series died when it was at the height of its popularity (Nielsen-ranked 2nd nationally in average audience in the 2 weeks ending Oct. 16). Bond, 57, died of a heart attack in Dallas, Tex., while on a personal-appearance tour. A veteran movie character actor before he rose to stardom in TV, he had originally shunned the medium. He is survived by his wife, mother and sister.

**Filmways, N.Y.**, film-commercial firm, now grossing \$6 million annually, is again mapping an expansion into film-program production. Independent TV consultant Rod Erickson, onetime TV-radio vp of Young & Rubicam and later Warner Bros.' N.Y. sales vp, has been named Filmways pres., with Pres. Martin Ransohoff moving up to chmn. Filmways has so far been represented in network programming with *21 Beacon St.*, a private-eye series starring Dennis Morgan on ABC-TV. Al Simon will continue to head Filmways' Hollywood production unit. Among Erickson's plans are the production of telefilm series in Canada to qualify under that country's forthcoming film-quota system.

**Writers Guild of America West** TV-radio branch nominating committee has named 6 nominees to fill 3 of the vacancies caused by the recall of 6 Guild officers (Vol. 16:45 p12). The 3 other posts were filled by appointment. Doris Gilbert, Jerry Gottler, Ellis Marcus, Maurice Tombragel, Martin Wark and Howard Harris will contest for the jobs at a special election Dec. 7.

## HOLLYWOOD ROUNDUP

Warner Bros. and James Garner are quietly involved in negotiations to bring the ex-*Maverick* star back into the fold. Garner left WB last spring (Vol. 16:14 p14), charging that the studio had violated his contract when it took him off the payroll. WB said it was exercising the *force majeure* clause of Garner's contract because the writers' strike had paralyzed production. The present negotiations aim to end the stalemate before Garner's breach-of-contract action and Warners' countersuit are heard in Los Angeles Superior Court Nov. 25.

**Davana Productions** is continuing to film *Oh, Those Bells!* starring the Wiere Bros., although CBS-TV has postponed the starting date, which was to have been Nov. 13. CBS-TV may start it in mid-season, if there are cancellations. Originally slated for 6 p.m. Sunday, the series was removed from the schedule because not enough stations could be cleared. Moreover it has too high a budget for anything but prime time. Producer is Ben Brady.

Academy of Motion Picture Arts & Sciences' annual Oscar Awards will be moved from Hollywood to the Santa Monica Civic Auditorium next April, for improved seating capacity, press, parking and stage facilities.

**Merit Productions** has been formed by movie producers Bill Thomas and Sam White to package & produce TV. Pilots are planned on *Ski Patrol* and *Man From the Police Gazette*, also a 90-min. special, *Barnum & Tom Thumb*.

MGM-TV producer Jaime del Valle (*The Islanders*) is planning 2 action pilots. One is tentatively titled *Bush Pilot*. They'll most likely be MGM-TV co-production deals.

**Cooga Mooga Productions**, owned by Pat Boone, plans 3 pilots: *Barnum the Great*, *So Help Me*, *Hannah* and *The Minister*. Mort Abrahams, ex-NTA, is CM's exec. producer.

**Four Star Television** plans record production within the next 2 weeks, filming 16 half-hour and five 60-min. segments for 13 series.

"One Step Beyond" has been renewed for another 13 weeks by Alcoa, and producer Collier Young plans to film the episodes abroad.

**Roncom Productions** has moved from Fox Western studios to Desilu.

**Directors Guild of America**, for the first time, will present a TV critics' award at its annual dinner Feb. 4.

**Screen Gems** and Freddie Fields Associates will co-produce a 60-min. pilot, *Grand Deception*.

**American Federation of Musicians** membership in Hollywood ratified the new major-studio contract 179-52.

**Las Palmas Inc.** has been formed by George Burns & Gracie Allen for the production of TV films.

Producer Harry Tatelman is planning a 60-min. dramatic series, *Course of Action*, for next season.

**KHJ-TV Los Angeles** has bought 40 movies, including 26 post-1950 United Artists releases, for about \$300,000.

**People:** Fletcher Markle, ex-*Thriller* producer, has joined 20th Century-Fox TV as alternate producer on *Hong Kong . . . Dixon Q.* Dern is named asst. secy. for Desilu Productions . . . Antony Ellis named producer of Four Star Television's *Michael Shayne*.

## NEW YORK ROUNDUP

Add syndication sales: Ziv-UA's 2 low-priced, former-network packages, *Men Into Space* and *Man and the Challenge*, have made a total of 52 station sales to date through Ziv-UA's Economee TV. Major sales include KRON-TV San Francisco, WJW-TV Cleveland, WHDH-TV Boston, CKLW-TV Windsor-Detroit. *I Led Three Lives*, another Ziv-UA oldie, has been sold in 103 markets, including WCBS-TV N.Y., WNBQ Chicago, WHBQ-TV Memphis, WISN-TV Milwaukee.

Cal. National Productions raised the total market list of *The Jim Backus Show* to 120 last week with the addition of WRCV-TV Philadelphia. The buy, made through Kenyon & Eckhardt on behalf of Lincoln-Mercury Dealers Assn., is the second with the agency. K&E purchased the series earlier for Hood Dairies in a regional spread including 6 New England states.

William Morris has closed a N.Y. deal in which General Foods has signed for a Four Star-produced situation comedy series, *Mother Was a Freshman*, for the 1961-62 season. The series stars Gertrude Berg. GF intends to keep the show on the shelf as a reserve series for any current GF network series cancelled at mid-season.

Interstate TV Corp. will launch 2 new animated series into syndication this month: *Snip Snap* and *Foo Foo*. The TV offshoot of Allied Artists gained distribution of the 30-min. cartoon packages in September (Vol. 16:37 p4). Both were created by the Halas-Batchelor team, which did the full-length theatrical cartoon film of George Orwell's *Animal Farm*.

ITC has acquired Heritage Productions, a company which specializes in production & distribution of sports-personality series such as *Campy's Corner*. Heritage Pres. Arthur Steloff will join ITC as gen. mgr. of a new ITC div. which will distribute current Heritage programs and originate features "in other specialized areas."

Peter M. Robeck & Co., newly formed TV syndication firm (Vol. 16:41 p11), released 52 additional 30-min. episodes of re-run series, *The Pioneers*, bringing total episodes in distribution to 104. The package is now sold in 65 markets, with several stations contracted for multiple runs.

Official Films has launched 3 short-segment program series for network sale: *Profile*, a 5-min. series on the lives of great people; *Do You Remember?*, a 1-min. short featuring newsreel footage on past events; *Animal Land*, a 5-min. children's show. The packages will go into syndication "if a network sale doesn't materialize," said Official's national sales dir. Grace V. Sullivan.

Ziv-UA is now making more syndication sales to sponsors than to stations. A study of Ziv-UA's present syndication line-up reveals that 53% of its recent sales on first-run offerings were to national, regional & local sponsors signed through the film firm's sales force, compared with 47% direct-station purchases.

NTA scored its first station-group sale of its 20th Century-Fox post-1948 package to CBS o&o's WBBM-TV Chicago and KNXT L.A. This brings the market total to 41.

ITV, a tape company which serves as a European production base for U.S. networks, plans to package shows.

People: Milton R. Dubin named Filmways senior vp.

## Stations

**NEW & UPCOMING STATIONS:** This week's report on stations starting to program is comprised of one U.S. & one Canadian outlet: WXTV (Ch. 45) Youngstown, O. begins Nov. 15 as an independent and CHAN-TV (Ch. 8) Vancouver, B.C. began Oct. 31, giving first competition to CBC's CBUT (Ch. 2) there.

Two U.S. stations which hold program test authorization are KVOG-TV (Ch. 9) Ogden-Salt Lake City, which plans Nov. 23 start as an independent outlet, and KCND (Ch. 12) Pembina, N.D., which isn't expected to start with ABC-TV until about Dec. 1.

Canadian stations due on the air by Dec. 1 or before are CJAY-TV (Ch. 7) Winnipeg, Man. and CBUAT-1 (Ch. 9) Nelson, B.C., latter to be CBC satellite of CBUT Vancouver.

The new starter will change the U.S. operating total to 576 (91 uhf). The Canadian on-air total now stands at 75.

WXTV has a 1-kw RCA transmitter and a 300-ft. self-supporting Ideco tower. Owners are Sanford A. Schafitz with 70.5%, and Guy W. Gully, 29.5%. Schafitz also owns radios WFAR Farrell-Sharon, Pa. and WWIZ Lorain, O. Joe Leonard, ex-WWIZ, is WXTV mgr., with Edward Lazar, ex-WFAR, chief engineer. Base hour, \$300; rep unreported.

CHAN-TV has an 11-kw RCA transmitter and a 300-ft. Western Bridge tower with an 81-ft. antenna on Burnaby Mt. Studios are on Lougheed Hwy., Burnaby, B.C. Art Jones, pres. & gen. mgr., is principal owner. E. G. Eakins is vp & asst. gen. mgr.; J. R. Peters, ex-CHCH-TV Hamilton, Ont., station mgr.; Ken Bray, ex-CBUT Vancouver, operations mgr.; Mervin Stone, program mgr.; Blair Patterson, promotion mgr.; Roy Jacques, ex-radio CKWS Vancouver, news dir.; Ernie Rose, ex-CBUT, chief engineer. Base hour is \$550. Reps are Weed and All-Canada.

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

KEZI-TV (Ch. 9) Eugene, Ore. has changed target for programming with ABC-TV to Dec. 1, reports gen. mgr. Marvin A. Krenk. GE 10-kw driver is being installed and a 35-kw amplifier, due to arrive Nov. 16, is scheduled to be ready for use by Nov. 25. Interior of studios at 2225 Coburn Rd. is nearly finished. GE antenna is scheduled for installation Nov. 15 on a 200-ft. tower purchased from Tower Sales Erecting Co. Base hour will be \$396. Rep.: Meeker.

KCDA (Ch. 3) Douglas, Ariz. has a 500-watt Electron transmitter scheduled for December shipment and plans to be on the air "before the end of 1960," reports Mort Zimmerman, pres. of owner Electron Corp. It will be "the first completely Electron-equipped vhf low-band" outlet, he says, and "will adequately serve Cochise County." A Jampro antenna is scheduled to arrive this month for the 100-ft. Rohn tower being installed on the roof of the Gadsden Hotel. William B. Miller, from Tucson, will be gen. mgr. Network affiliation not signed, base hourly rate not set, rep not chosen.

KCSD-TV (Ch. 19, educational) Kansas City, Mo. now has a January 15 target, writes J. Glenn Travis, admin. asst. to the school supt., reporting for grantee Kansas City School Dist. GE 1-kw transmitter is to be installed in City Hall on Jan. 1. It already has an antenna in place on a stub tower on the City Hall roof. Studios in the Board of Education Bldg. also are scheduled for completion by Jan. 1.

**Fla. Defense Network Praised:** Emergency work of FM stations in carrying warnings about Hurricane Donna in Fla. Sept. 8-12 was commended officially by FCC last week at a critique meeting of the Fla. Defense Network in Miami.

Established in 1958 under auspices of the Fla. Assn. of Bestrs. as an emergency communications setup for Conelrad and other public services, FDN did an "outstanding meritorious" job during the big storm, the Commission said. Similar systems have been organized in about 30 states.

Formal citations, signed by FCC's Defense Comr. Lee, who attended the Miami meeting, were awarded to stations participating in the 24-hour daily hurricane alert.

Lee announced in Miami that AP & UPI will be brought into the Conelrad system Nov. 21, when the Air Force signs a contract with the wire services providing for an open attack-warning line from North American Air Defense Command (NORAD) hq at Colorado Springs. "In the event of any enemy attack," Lee said, "the alert would be triggered by one man at NORAD. This line would be used only once—in fact, we hope it would never be used."

The citations, including one given individually to former Chmn. James L. Howe (WIRA Fort Pierce) of the Fla. State Industry Advisory Committee, said: "The selfless & dedicated owners & operating personnel who courageously braved the dangers of the storm to serve the residents in their communities & their country, without regard for their own personal safety & their loved ones, are a credit to themselves, their communities and the radio broadcast industry."

Sharing in the commendations were WVCG-FM Coral Gables, WCKR-FM Miami, WFLM Fort Lauderdale, WQXT-FM Palm Beach, WHOO-FM Orlando, WNDB-FM Daytona Beach, WJAX-FM Jacksonville, WFLA-FM Tampa, WRUF-FM Gainesville.

Copies of FCC's detailed report on operations of FDN during the hurricane emergency will be sent to all FM, AM and TV stations. These comments are included in it:

"One of the finest examples of modern pioneering is the development & implementation of the Fla. Defense Network."—Comr. Lee.

"The performance of the Fla. Defense Network (FM) during Hurricane Donna was indeed a gratifying achievement on the part of the radio broadcast industry."—alternate FCC Defense Comr. Bartley.

"We congratulate those responsible."—Deputy U.S. Weather Bureau chief J. W. Osmun.

"A living example of what can be accomplished through a cooperative program among members of the radio industry devoted to defense against attacks & national disaster."—FCC chief engineer E. W. Allen.

"Indeed worthy of high praise."—Capt. E. P. Aurand, Naval aide to President Eisenhower & chmn. of the National Security Council's special committee on attack warning channels.

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NAB conference headliners in Washington this week at the 6th of 8 regional meetings (Vol. 16:44 p10) will be NAB Policy Committee Chmn. Clair R. McCollough & FCC Chmn. Ford. McCollough will address a Nov. 14 luncheon session in the Statler Hilton Hotel, where NAB TV Board member Campbell Arnoux (WTAR-TV Norfolk) will preside. Ford will be the principal speaker at a Nov. 15 luncheon presided over by NAB Radio Board member Jack S. Younts (WEEB Southern Pines, N.C.). Concluding fall conferences will be conducted Nov. 21-22 in the Edgewater Beach Hotel, Chicago, and Nov. 28-29 in the Biltmore, N.Y.

TV station wages have risen 10% since 1958 while radio station pay went up 6%, according to national averages computed by NAB broadcast & personnel mgr. James H. Hulbert. Cautioning that broadcasting wages vary by market sizes & geographic locations and that overall figures shouldn't be used to measure individual rates, Hulbert said samplings of half the TV stations and 40% of all radio stations showed these weekly job averages: TV—sales mgr., \$254; chief engineer, \$184; program dir., \$179; salesman, \$172; news dir., \$150; staff announcer, \$136; producer-dir., \$128; technician, \$116; film dept. head, \$108; traffic mgr., \$85; continuity writer, \$79; floorman, \$67. Radio—sales mgr., \$170; salesman, \$125; program dir., \$117; chief engineer, \$113; news dir., \$106; staff announcer, \$95; technician, \$93; traffic mgr., \$67; continuity writer, \$66. Included in the computations were all overtime, fees and commissions paid to employees.

TV-radio employment survey undertaken by NAB and the Assn. for Professional Broadcasting Education has produced answers to 2,200 detailed questionnaires sent to station employes across the country. Replies will be noted on cards & fed into computers to supply answers to such questions as: Where should management look for broadcasting recruits? What sort of education is needed for TV & radio careers? What type of employe is most likely to succeed? Are employes paid adequately now? Are stations (in employes' opinions) operated efficiently & effectively? "This is the most comprehensive survey, both in magnitude & depth, that has ever been undertaken in the broadcasting industry," said NAB broadcast personnel & economics mgr. James H. Hulbert.

## Auxiliary Services

TV property-rights suit, brought by Salt Lake City stations against Twin Falls (Ida.) CATV operator Cable Vision Inc. (Vol. 15:33 p9), finally reached a court argument phase last week. Sitting in San Francisco, specially-appointed Judge Charles Sweigart of the U.S. District Court for Southern Idaho listened for 5 hours to debate on a motion by the stations for summary judgment against Cable Vision, said he would decide within 60 days whether the case should go to trial. General Counsel E. Stratford Smith of the National Community TV Assn. said the issues of broadcasters' commercial rights to program signals are too complex to be resolved without a trial. Harold Cohen of the Washington firm of Pierson, Ball & Dowd, representing the stations, said they needed quick relief from "unfair competition" by CATV pick-ups of their shows. NAB's chief counsel Douglas A. Anello was an observer there.

Policy of no late seating, used in theatrical showings of Alfred Hitchcock's "Psycho," has been adopted in Telemeter's pay-TV showings of the same feature in Toronto. Viewers who deposit coins (admission: \$1) after the start of the film must wait for the next showing. There's no cheating; the "door" will be closed electronically to the audience. First aired Nov. 9 by Telemeter, "Psycho" will be telecast 4 times daily through Nov. 14. Telemeter also announced last week that it had acquired TV rights to the 35 away-from-home games to be played this fall & winter by the Toronto Maple Leafs. The first road game, to be piped via closed-circuit lines from Boston, was scheduled to be televised Nov. 13.

Texas microwave for closed-circuit network to link 11 colleges and U.'s in central Texas (Vol. 16:1 p24) has been approved by FCC.

2nd annual TV-radio news-broadcasting conference for high school students at WSB-TV Atlanta last week was sparked by the remote "guest participation" of 9 NBC news personalities. The conference was held in association with the U. of Ga.'s Henry W. Grady School of Journalism, and will award a year's scholarship to the student who writes the best news account of the event. Highlights: TV news clinic conducted by Ray Scherer from Washington via closed-circuit TV; video-taped address on careers in journalism by Chet Huntley; taped messages from NBC radio correspondents in London, Paris, Rome, Moscow, Berlin, Tokyo. The conference's keynote address was delivered by Grady's Dean John E. Drewry. TV-radio news clinics were conducted by 10 WSB-TV & WSB staffers.

**FM** patterns, as described in the results of a survey by the 61 affiliates of FM Bcstg. System Inc. (WFMQ Chicago): 63% of stations reported 31-to-50% of homes in their areas were FM-equipped; only 18% reported less than 20% saturation. Highest FM penetration was reported in New York, with 60%, or 2.5 million FM households. Other FM household figures: Los Angeles, 1,066,753; Chicago, 900,000; Philadelphia, 800,000; Baltimore, 650,000; San Francisco, 404,000; Boston, 367,000; Houston, 163,310; San Diego, 137,560; Kansas City, 136,000. Tune-in time averages 6-to-7 hours per day.

Hearst has sold the Detroit Times (evening) for approximately \$10 million to its competitor the evening News (Warren S. Booth, pres.-publisher). This leaves that city with 2 newspapers, the Knight group's morning *Detroit Free Press* and the *News*, which also operates WWJ-TV & WWJ. Hearst broadcasting properties are WBAL-TV & WBAL Baltimore, WISN-TV & WISN Milwaukee and Pittsburgh radio WCAE (owned by Hearst Consolidated Publications), which owns 50% of WTAE (TV) there.

NBC Chmn. Robert W. Sarnoff is scheduled to address the opening luncheon of the Broadcast Promotion Assn. convention in New Orleans this week (Nov. 14). His subject: "Broadcasting: A Year to Remember." The meeting, BPA's 5th annual, will continue through Nov. 16.

**Radio-Television Training School Inc.**, 5100 S. Vermont Ave., Los Angeles, is forbidden to misrepresent its correspondence courses under terms of a consent order approved by FTC. The school had been charged with "using numerous grossly exaggerated or false claims" to sell the courses.

Voice of America contracts for \$12-million construction of its powerful new Greenville, N.C. transmitter have been awarded to 2 Texas firms—Alpha of Texas Inc., Richardson, and Continental Electronics Mfg. Co., Dallas. They were low bidders on the radio project (Vol. 16:45 p11).

The 1,856-ft. tower proposed by WHAS-TV Louisville (Vol. 16:34 p9) wouldn't be a menace to air navigation, according to FCC's Broadcast Bureau, which filed exceptions to examiner Charles J. Frederick's contrary findings. However, the Bureau still said that the tower should be prohibited because of prospective economic injury to Lexington's 2 uhf stations. WHAS-TV, in its exceptions, insisted that Frederick is wrong in all major conclusions.

Grant of Ch. 8, Christiansted, St. Croix, Virgin Islands, to Supreme Bcstg. Co. has been recommended in an initial decision by FCC examiner Basil P. Cooper. Supreme & competitor Radio American West Indies Inc. have agreed to merge, latter to get 40% after dismissing its application.

Purchase of radio KXOK St. Louis by Storz Bcstg. Co. for \$1.5 million has been approved by FCC, Comrs. Hyde & Bartley dissenting.

TvB's annual meeting will be held in N.Y. Nov. 15 through 18. Highlights of the 4-day session include the Nov. 18 reports of Chmn. Otto Brandt & Pres. Norman E. Cash, and showing of a new TvB presentation, "The Progress of Discontent." TvB's board will meet Nov. 15; the sales advisory committee, Nov. 16. The Nov. 17 membership meeting, at the Waldorf-Astoria Hotel, will feature discussions of sales problems with representatives of major agencies & advertisers.

Newspaper payola, reportedly paid to sports writers by boxing promoters, is being investigated by the Senate Judiciary Anti-Trust & Monopoly Subcommittee headed by Sen. Kefauver (D-Tenn.). A Subcommittee spokesman confirmed that its probes of fixed fights & underworld influences in boxing have been broadened to include rumors that newspapermen have been on promoters' payrolls.

Federal conciliators met last week with representatives of KXTV Sacramento and NABET in an attempt to reach a settlement of the strike against the Corinthian station which began Sept. 26 (Vol. 16:44 p10). NABET has withdrawn its unfair labor-practice charge against the station, and it was dismissed by NLRB "without prejudice." In addition to 32 NABET members, 10 AFTRA members are striking against the station.

## Networks

CBS Inc. was cleared of monopoly charges last week in Washington by a Court of Appeals decision rejecting a \$4-million-plus anti-trust damage suit by Lou Poller, who claimed the network put his WCAN-TV (Ch. 25) Milwaukee out of uhf business in 1955. In a majority opinion written by Chief Judge Wilbur K. Miller, Judge George T. Washington dissenting, the Court turned down Poller's appeal from a 1959 district court ruling against him in the case (Vol. 15:24 p7). Poller's triple-damage suit stemmed from CBS Inc.'s 1955 purchase of WXIX (Ch. 19) Milwaukee and cancellation of the network's affiliation with WCAN-TV. Four years later WXIX itself shut up shop. Judge Miller wrote that the majority found "no monopoly or attempt [by CBS] to monopolize, but instead an unsuccessful attempt to compete with other Milwaukee stations." As for Poller's claim that he was hurt by CBS, Judge Miller said any injury he did suffer "was caused by his improvidence in contracting for elaborate equipment to meet the requirements of a firm [CBS] affiliation he knew he did not have." In his dissent, Judge Washington said "proof of Poller's claims will not be easy" but that Poller at least "is entitled to go on trial."

### NETWORK SALES ACTIVITY

#### ABC-TV

Walt Disney Presents, Sun. 6:30-7:30 p.m., parts. eff. Dec. Columbia Pictures (Donahue & Coe)

#### CBS-TV

CBS Reports, Nov. 25, Dec. 10 & 29, full sponsorship. Philip Morris (Leo Burnett)

#### NBC-TV

Inauguration Day package, Jan. 20, 11 a.m.-noon, aft. parade, 11:30 p.m.-midnight, full spon. Purex (Edward H. Weiss)

25 Years of "Life," Thu. Mar. 2, 9:30-11 p.m., full spon. Life Magazine (Young & Rubicam)

## Advertising

**FTC was rebuffed** by the Supreme Court in its attempts to get access to confidential business reports supplied to the Census Bureau by corporations. The Supreme Court refused to review a lower-court decision barring FTC from seeing secret data prepared by Chicago's Beatrice Foods Co. for the Census Bureau, which had demanded the information for a business survey. FTC, joined by the Justice Dept., insisted that it was entitled to the report for use in anti-merger cases. But the lower court held that the Census Bureau, which can compel companies to furnish such data, had promised to keep the report confidential. "The U.S. has given its word & should be permitted to keep it," the lower court said in its decision, which in effect was upheld by the Supreme Court.

Mennen Co. skindiver commercials for shaving cream have been cited by FTC in a formal complaint accusing the company of using deceptive artifices on TV. Pointing to TV sequences which show a bearded diver demonstrating Mennen Sof' Stroke cream under water, FTC charged that: (1) The purported shaving preparation actually has toothpaste mixed with it. (2) In showing how other creams dissolve in the water before they can be applied, "the diver cupped his hand to a lesser degree in discharging the competing brand." (3) "This demonstration is not a valid portrayal of the superiority of Mennen Sof' Stroke." (4) It "falsely disparages these competitive products."

TV network & spot gross time billings for first-half 1960 rose 59% for confectioners and 153% for household wax manufacturers, compared with the like period in 1958, reports TvB. Candy companies went to \$15,593,038 from \$9,819,000. Leading spender was Wm. Wrigley Jr. Co. with first half billings of \$4,130,653. Second & 3rd place spenders were up sharply over the previous year: Sweets Co. of America, 153%; American Chicle Co., 96%. Approximately 60% of all confectioners' ad spending is now in TV. Wax firm spendings rose from \$4,049,000 to \$10,406,922 for first-half 1960 vs. first-half 1958. S. C. Johnson & Son, leader, showed \$4,715,055 in gross-time. Other top spenders: Simoniz Co., \$2,710,759; American Home Prod. \$952,797.

New TvB sales presentation, "The Progress of Discontent," will be unveiled to 2,000 admen, advertisers and special guests at the 6th annual TvB meeting in N.Y. this week (Nov. 17-18). Election of new TvB directors & officers will also take place. Featured speakers: TvB Pres. Norman E. Cash, U.S. Steel Pres. Leslie B. Worthington, Leo Burnett vp Thomas A. Wright Jr., Grey vp Eugene Accas, TV ad consultant Harry McMahan.

Major retail centers outside central business districts in 109 bigger cities are described for the first time by the Census Bureau in a new series of market-data publications, 1958 Census of Business, *Central Business District Reports*. Copies of reports on single cities are available for 25 cents each from Commerce Dept. field offices. Complete sets may be obtained for \$20.

**Mogul, Williams & Saylor** has pledged \$3,000 to establish the annual \$500 Myron A. Mahler scholarship to go to an N.Y.U. student of "outstanding promise in the area of creative writing for radio & television." The agency will also contribute \$100 a year for non-tuition costs. On another scholastic front, AFA's Bureau of Education & Research has released a list of scholarships available to students of advertising, marketing & related fields. The list will be revised periodically.

New "local-special" concepts are being tried in spot TV by a pair of medium-sized TV advertisers. Shulton Inc., having been successful early this year with a 60-min. spot-placed documentary, "The Race for Space," has built a pre-Christmas campaign around a group of 5 unsold 30-min. pilots which it acquired from various producers & sales agents (*The Wonderful World of Little Julius*, starring Eddie Hodges; *Underwater Agent*, starring Reed Hadley, etc.). Shulton has cleared prime-time for the shows in 97 markets. It will provide full sponsorship in every case, with the total campaign costing nearly \$750,000. In a somewhat similar move, General Toy Corp. has purchased 3 MCA-distributed Paramount features ("Tom Sawyer," "Huckleberry Finn" and "Alice in Wonderland"), all pre-1948, and is spotting them as sponsored local specials between Thanksgiving & Christmas.

Ad budgets will "hold steady" or even rise in a few cases during 1961. That was the opinion of *The Wall Street Journal* in a recent page-one story based on interviews with 75 corporate ad directors and an opinion-sampling among top ad-agency executives. Sample comments to *WSJ*: "We're assuming we'll have about a 5% increase in ad spending next year," although ad spending for major items (appliances, autos, etc.) may be down "by 2% or 3%"—Marion Harper Jr., McCann-Erickson chmn. "There will be no pulling back from our traditionally aggressive marketing program."—an official of Bell & Howell, which expects a 10% budget hike next year with "the greatest part" earmarked for TV.

Longest agency name in history was narrowly averted last week when the Kastor, Hilton, Chesley, Clifford & Atherton firm merged with Heineman, Kleinfeld, Shaw & Joseph. Realizing that the initials would simply never do at the switchboard ("Good morning, this is K-H-C-C-A-H-K-S-&J") the Kastor agency has decided to let it stand at just KHCC&A. Currently it is billing about \$20 million annually, HKS&J about \$2 million. Accounts of the combined agency include Cort cosmetics, Franklin Frocks, Daggett & Ramsdell, Admiration Cigars, Lanvin and Roosevelt Raceway.

SEC hearing for Hazel Bishop Inc., on charges that a stock registration statement contained misleading statements about advertising expenditures and other transactions (Vol. 16:45 p11), has been postponed to Nov. 15. The proceedings had been set for Nov. 10, but company counsel asked for more time for negotiations on stipulations.

Canada's Bureau of Broadcast Measurement has added 17 new members, including CFCN-TV Calgary, Alta.; CHAN-TV Vancouver, B.C.; CKBL-TV Matane, Que.; CHSA-TV Lloydminster, Alta.; CKAM-TV Campbellton, N.B.; 4 radio stations; 4 ad agencies, and 4 advertisers. It also reports the 1960 fall survey will be made Nov. 14-20.

New reps: KNBS Walla Walla, Wash., to Venard, Rintoul & McConnell from Weed. • KSL-TV Salt Lake to Blair Television Associates from CBS-TV Spot Sales. • WICD Danville, Ill., formerly WDAN-TV, to Young Oct. 2 from Everett-McKinney.

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**Ad People:** E. Dean Landis elected a senior vp, Compton Advertising . . . John B. Lyman named bcst. services dir., Foote, Cone & Belding, Hollywood, succeeding the late Edmund L. Cashman . . . Edwin F. Wilson, McCann-Erickson vp & vice chmn. of its media planning unit, retires after 40 years with the agency . . . Jerome Cowle, creative dir., Keyon & Eckhardt Chicago office, elected a vp.

## Television Digest

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**Personals:** William H. Trevarthen promoted from TV network operations dir., NBC-TV to TV network operations vp . . . Alan D. Courtney, ex-NBC-TV, program administration vp, named national sales vp, MCA TV.

Robert Wilson, ex-KHOU-TV Houston, named vp-gen. mgr. of Corinthian's KXTV Sacramento, succeeding Richard P. Hogue, resigned . . . Don Balsamo named sales mgr., KHJ-TV Los Angeles; A. J. (Tony) La Frano appointed dir. of news & special events, KHJ-TV & KHJ . . . Rolf Brent named pres. of World Wide Bestg. Co., new international div. of Metropolitan Bestg. . . . Jere Witter named public affairs dir., Deacon Anderson news dir., KPIX San Francisco . . . Michael Blow, ex-American Heritage Publishing Co., named editorial dir., CBS corporate information staff.

Jack Yeager appointed gen. sales mgr., KHOL-TV Kearney, Neb., and KHPL-TV Hayes Center, Neb. . . . Ray Danish named asst. dir., TIO . . . William B. Colvin, ex-WBZ-TV Boston, named to new post of TvB member services dir.; Martin L. Nierman, Edward Petry & Co., elected a TvB dir. . . . Raymond C. Sinns named sales promotion dir., H-R Television and H-R Representatives.

Harold Cranton, ex-Metropolitan Bestg. Corp., named ad & promotion dir., NTA o&o's and spot sales . . . Vic Ludington, ex-WLYH-TV Lebanon, Pa., appointed local & regional sales mgr., WSPA-TV Spartanburg, S.C. . . . Lila Lambert named to new post of Taft Bestg. Co. promotion & publicity mgr.

Carl E. Kleimo named treas., Reeves Bestg. & Development Corp. (WUSN-TV Charleston, S.C.; KBAK-TV Bakersfield, Cal.; is buying WHTN-TV Huntington, W. Va.) . . . Ward L. Quaal of WGN-TV Chicago renamed chmn. of NAB's 15-member Labor Relations Advisory Committee for 1960-61 term . . . David L. Doughty, NAB attorney, named asst. to best. personnel & economics mgr. James Hulbert.

## Obituary

Mack Sennett, 80, pioneer movie producer, died Nov. 7 in Hollywood, following surgery for a kidney ailment. Known chiefly for slapstick comedy and the "Keystone Kops," Sennett had been trying for several years to get into TV with a series, and this year had finally made a deal with producer Harry Tatelman for a series to be called *Mack Sennett's Comedy Theater*, based on the Sennett comedies of yesteryear. Sennett leaves no survivors. ■

George V. Allen, USIA dir. since Oct. 1957, resigned Nov. 11 to become pres. of The Tobacco Institute Inc., which he will join Dec. 1. He said "it was a difficult decision to leave the govt.," in which he started as a foreign service officer in 1930, but that work with tobacco manufacturers would be "most interesting & challenging." Allen's USIA term, marked by budget battles with Congressional critics of the agency, was capped by Democratic campaign charges that he had suppressed an overseas poll indicating declines in U.S. prestige. No successor was appointed immediately by President Eisenhower.

## Educational Television

Future of ETV in Hagerstown, Md., where the Ford Foundation has financed a closely-watched 5-year closed-circuit school experiment, may be decided by a poll of Washington County teachers & parents. Facing loss of foundation funds when the test project ends next year, county commissioners ordered the advisory poll to help them fix the school budget for 1961. All teachers and members of PTAs & other parents will be asked to mark secret ballots indicating whether they want closed-circuit instruction continued with local funds. The commissioners didn't decide whether a raise in the school tax rate would be necessary if the educational TV program is extended. Proponents of the system have argued that it can be operated more economically than conventional classes through savings in extra teachers' salaries, textbook purchases, lab equipment, etc.

San Antonio's ETV sparkplug—Pres. Sidney Greenburg of Incarnate Word College—is described as "an intellectual earthquake" in the education section of the Nov. 14 *Time*. The lay head of the Catholic school campaigns with "force, passion, glee and anger" for pet projects on his weekly Sun. morning program on commercial WOAI-TV, *Time* says. One result: Financing of the Southwest Texas Educational TV Council, which won the Ch. 9 grant from FCC in Oct. (Vol. 16:40 p12). Needing \$400,000 for an ETV station—"the most important tool ever put in the hands of the educational world"—Greenburg asked listeners for contributions, raised \$150,000 from WOAI-TV & other San Antonio commercial outlets, obtained \$25,000 from Mrs. Lyndon Johnson's KTBC-TV Austin, wangled \$40,000 from the Ford Foundation, finally reached the goal.

New RCA TV tape facilities at Utah State U. will enable the university's TV studio to furnish Salt Lake City commercial & ETV outlets more rapidly with educational material. The studios will be used to make daily tape-recorded lessons using an RCA recorder, studio cameras, switcher, projectors and multiplexer. "A major benefit of on-campus tape operations will be to eliminate long trips made in the past by faculty members to TV transmitters 80 miles away," said University Pres. Daryl Chase. The university also has obtained special FCC authorization to test low-power uhf transmissions on Ch. 71 & 74 for campus distribution. University TV-radio services dir. Dr. Keith M. Engar says that low-power telecasting may open the way to extensive ETV service at a fraction of present costs.

California's 1961 legislature will be asked to allow school districts to set up their own ETV system, Dr. Roy E. Simpson, state supt. of public instruction, said recently. Added he: "What I have seen of TV used in classrooms has been impressive. I believe a high degree of coordination & effectiveness might be achieved through open-circuit systems run by groups of districts."

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

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**TV-RADIO-PHONO MARKET—WHAT'S HAPPENING?** Industry leaders aren't crying the blues about 1960 sales. It's obviously not the boom year it started out to be, but it's well ahead of recession-ridden 1958—and there may be a sharp post-election & pre-Christmas pickup in the works.

Here's our guesstimate of how 1960 will stack up in consumer-electronics sales: TV—distributor sales to dealers between 5.5 & 5.8 million, probably around 5.6 million, compared with last year's 6 million. Retail sales in same ballpark as the 5.75 million of 1959, but sharply higher than 1958's 5.14 million. Phonos—retail sales near 5 million units vs. last year's 4.4 million, with considerably higher dollar volume. Radio—Retail sales of about 10 million, well up from last year' 8.9 million.

October TV sales were disappointing in that the anticipated pickup apparently failed to materialize. Distributor sales to dealers were down 27% from Oct. 1959, bringing year-to-date sales 5.8% below last year. Phono sales were about same as last October. Big surprise came in figures on distributor radio sales for October: up 26% from Oct. 1959; year-to-date increase is 11%.

Against this background, how do industry leaders appraise consumer-electronics market? All in all, they feel that business hasn't been too bad, that price structure is still holding up (although there are some dissenters on this point), that a TV upsurge may be on the way. Magnavox Pres. Frank Freimann, very close to dealers because of his company's direct-to-retailer setup, told us a poll of dealers showed that a very listless week before Election Day was followed by "exceptionally good business last week," which started Monday, the day before election.

Other leaders expressed varying degrees of bullishness for remainder of year & for next year—although actual predictions of 1961's outlook are still being processed by market researchers. It may not be typical of entire industry, but manufacturers we talked to last week all said their console & combination sales are quite good. Most of them saw current phono sales at about last year's level or slightly below. Here's distillation of comments by industry topkicks who were willing to be quoted:

Magnavox Pres. Frank Freimann: "I'm bullish about the balance of the year, and I have no reason to be bearish about the first quarter." Magnavox's October consumer products sales were "marginally ahead of Oct. 1959," although the company's total October business was 30% higher than 1959 (the difference accounted for by non-consumer items). Post-election pick-up has started, indicating that "people had been holding back, everybody was in a waiting mood."

Movement of high-end products is "encouraging," says Freimann. "People are developing appreciation for better things." Sales prospects signing on the dotted line at Magnavox's new N.Y. showroom are going in heavily for higher-priced instruments, he said, proving that "if the dealers make the effort, the public can be sold" on high-end sets. Magnavox's sales of TV combinations are at least as good as last year, despite vastly increased competition in this field. As to the newly revived 27-in. set (Vol. 16:45 p18), it has "taken off like a jet." In the 2-to-4 weeks it has been in retail stores, movement has been "excellent," he said. (But we can find no other major manufacturer sharing his enthusiasm for the 27-in. and no others who say they plan to join Magnavox in going to this size—although all are obviously interested in how it's moving.)

To capitalize on the cascading radio business, Magnavox plans to bring out an extensive line of small table radios next year, Freimann says. This will include FM sets and both U.S. & foreign-made models (Magnavox currently sells Japanese-made transistor radios).

Motorola consumer-products exec. vp Edward R. Taylor: Although October industry figures are disappointing, "I can't help but feel we're going to come out of it by the end of the year." He pointed to record consumer incomes and high level of auto sales. "If they can sell cars, we can sell TV & stereo.". He also noted

that Motorola is selling "a higher percentage of upper-end merchandise than last year." As to portents for immediate post-election future, he noted last week's stock market rally and asked: "Is it a sign of relief or the return of confidence?"

Zenith Sales Corp. Pres. Leonard C. Truesdell: "If our business doesn't get any worse, I'm happy." He said Zenith's sales last month were "slightly ahead" of Oct. 1959 and reiterated that his company "will have a higher share of industry than ever—but we had to fight every inch of the way." Zenith's console business is about the same as last year, he stated, while industry-wide console sales are off much more than total sales.

Olympic Pres.-gen. mgr. Morris Sabin: Olympic's July-Sept. business was only 3% below last year's all-time record, and first real fall-off was felt last month. But while unit volume dropped, the decline in business wasn't "very significant in terms of dollars."

"I'm worried mostly about the pressures on our competitors," Sabin told us. Over-all inventories are still too high for the current sales rate. A little decline won't hurt us as long as it's orderly. The effects won't be serious if manufacturers make an effort to gear production to sales, keeping profit levels." High-end goods are moving well. Combinations are "ahead of last year every month right up to the present minute." The high dollar volume in combinations is "taking up the slack" of a drop-off in unit sales. In stereo, "we're holding our own," but radio business is down somewhat.

Westinghouse TV-radio mktg. mgr. C. J. Urban: Westinghouse's sales are "holding up fairly well." Home-electronics industry's biggest problem now, in his view, is "consumer boredom." The consumer has money to spend, but his purchases of TV are slackening. "What are we doing to get more of this business, to direct more of this discretionary income to our products?" Urban's formula:

"'Excitement' is the key word. Let's excite people, give them a reason to buy." He pointed to auto industry's use of automobile shows, displays of laboratory "cars of the future," etc. "Let's lick this boredom. Let's show something new, exciting, from the labs . . . Let's do something big enough to create real excitement. Talk about 2nd—and even 3rd—TV sets." Possibly an all-industry effort through EIA is the answer. Consumer dollars are being drained off by other industries. Buying conditions are right—but we're losing the market. Selling TV to 45 million households was a major job. We need to show some more of that merchandising genius now."

**3rd-QUARTER ELECTRONICS PROFITS DOWN 11%:** Net profits of electronics firms continued to drop in 3rd quarter, although sales were off only slightly from the same 1959 period. The profit drop was greatest among consumer-electronics companies. Components manufacturers, in the aggregate, bucked the trend, showing higher profits this year than last.

These were outstanding trends in our survey of 3rd-quarter reports of 29 "weathervane" firms in the electronics field. In the aggregate, they showed an 11.1% dip in profits from 3rd quarter 1959—apparently opposing the general pattern for industries, inasmuch as Wall Street Journal recently reported an 8.4% profit increase from 3rd-quarter 1959 for 410 industrial firms.

While 3rd-quarter profits of the 29 firms declined 11.1%, sales dropped only 2.5% from the same 1959 period. The 8 firms primarily known as consumer-electronics producers showed a 22.8% decline in net profit for the quarter on a 2.9% dip in sales. The 13 large diversified electronics firms (all of them among the top 20 electronics producers) reported profits down 10.9%, sales off 2.6%. Components makers (10 companies) chalked up profits about equal to last year's period, sales 3.8% higher.

Results for first 3 quarters of year, buoyed by a relatively good first half, present a better picture. For all 29 companies: net down 2.1%, sales up 4.3%. Consumer group: net down 16.2%, sales up 4.2%. Diversified group: net down 1.5%, sales up 4.3%. Components group: net up 9.1%, sales up 8.2%.

In consumer group, only one listed company (Magnavox) showed a profit increase for 3rd quarter over last year, 3 of the 8 reporting increased sales during the period. For first 9 months, 2 reported more profits than last year, 4 more sales. Among the diversified firms, 4 of 13 reported increases in 3rd-quarter net, 8 had greater sales. For 9 months, in this group 7 had profit increases, 11 sales hikes. Among the 10 components makers, 4 showed 3rd-quarter profit increases, 5 sales increases. The 9-month figures show 4 component makers with increased profits, 5 with higher sales.

Explanations for profit drop vary, but these—as given by 3 important electronics manufacturers last week (see p. 19)—are typical: Increased cost of consumer business due to more competitive conditions; military hardware cutbacks; intensified new-product engineering & research to compensate for loss of other markets; consumer-product liquidations, price cuts & "unrealistic pricing;" declines in non-electronic goods (such as appliances) manufactured by companies in the tabulation.

The companies used in our "weathervane" calculations:

Consumer group: Admiral, Arvin, Hoffman, Magnavox, Motorola, Siegler, Wells-Gardner, Zenith. Large diversified group: Burroughs, GE, GT&E, IBM, Minneapolis Honeywell, Motorola, Raytheon, RCA, Sperry Rand, Texas Instruments, Westinghouse, Zenith. Components group: Amphenol-Borg, Erie Resistor, General Instrument, Globe-Union, International Rectifier, International Resistance, P. R. Mallory, Muter, Oak, Standard Kollsman. Two firms are in 2 groups (Motorola & Zenith, both among electronics' top 20 and also mainly identified with consumer goods), but their results weren't duplicated in the tally totals.

At-a-glance summary of performance of the "weathervane" companies in terms of percentage increase or decrease compared with 1959:

Group	No. of Firms*	3rd Quarter 1960		9 Months 1960	
		Sales	Net	No. of Firms*	Sales
Consumer electronics .....	8	-2.9%	-22.8%	7	+4.2%
Components & parts .....	9	+3.8%	unchanged	8	+8.2%
Diversified .....	13	-2.6%	-10.9%	13	+4.3%
AGGREGATE .....	28	-2.5%	-11.1%	26	+4.3%

\*Note: Numbers of firms differ between 3rd-quarter and 9-month reports, because some report on a fiscal-year basis and therefore have not reported 9-month results. In one case, a 3-month report was unavailable from a firm issuing a 9-month statement. "No. of Firms" columns do not add up due to elimination of duplication in aggregate total.

Few stereo reply comments had been filed with FCC last week. Commission files showed only these: (1) Crosby-Teletronics insisted that its system is best, that comments of some parties in the proceeding (Vol. 16:44 p15) are "out & out falsehoods," that NSRC Panel 5 field tests were poorly executed. (2) KPEN(FM) San Francisco urged that class A FM stations not be granted within 1 millivolt contours of Class B because they cause greater-than-expected interference, particularly to stereo & SCA operations. The station urged the Commission to start a formal inquiry into interference problems, stating that the rules & standards are in need of revision. (3) Hal Davison, a Washington engineer & stereo enthusiast, filed a highly technical analysis of NBC's and other's comments, said he found a lot of "lies" in them.

Muntz TV was declared solvent last week by Chicago Federal Judge Michael J. Igoe, ending nearly 7 years of bankruptcy operation. The company entered involuntary bankruptcy under Chapter X in 1954 and has been operated under the supervision of the Chicago U.S. District Court. The final decree calls for 100% payment of debts. The company has reduced its indebtedness from approximately \$12 million to \$3.1 million, according to Floyd G. Dana, Muntz chmn. & former trustee. The present debt includes \$2.37 million of notes to be retired over a 5-year period, and some \$700,000 in preferred stock.

Benjamin Electronic Sound Corp. has been formed in Corona, N.Y. (97-03 43rd Ave.) to import, manufacture and distribute sound products. The new firm was organized by Joseph N. Benjamin, ex-Pilot Radio and Bogen Presto, and Gershon T. Thalberg, ex-Audiogersh. First import product lines handled by the firm are the Miracord record changer and Stereotwin cartridge made in Kiel by the West German Electroacustic GMBH.

"Was \$149.50, now \$99.50" may be a good come-on sales message to the public from a dealer, but it's a good idea for the retailer to have something in his files to prove the first figure, according to FTC Chmn. Earl W. Kintner. He told the Ft. Worth Better Business Bureau and Ad Club at a joint meeting that such an advertisement clearly indicates that the dealer involved recently sold the merchandise at the higher price. "When that ad is made up, it is relatively simple to prepare a certification regarding such sales," Kintner said. "This certification can be signed by the buyers or the employe . . . responsible for the representation." Otherwise, the dealer may find himself charged by FTC with misrepresentation, Kintner warned. (For more about Kintner, see p. 1.)

"Some firms will be out of business within the next 12 months unless restrictions are placed on the current free flow of low-cost Japanese finished products & components." Admiral PR dir. Martin Sheridan made that statement last week to the electronics-electrical commodities group of the Purchasing Agents Assn. of Chicago. By Christmas, he said, Japanese TV sets will be on sale in many U.S. markets. He believed that the American people should be made aware that Japanese and other imported TVs & cord radios don't bear Underwriters Lab seal. He scored the "laxity of local laws" which permit sales of foreign electrical equipment which doesn't "meet U.S. safety standards."

Revised "Class B Product List & Product Assignment Directory"—for use in determining priorities under the Defense Materials System—has been published by the Commerce Dept's Business & Defense Services Administration. The major change is a substantial revision of code numbers to conform with the latest edition of the Budget Bureau's *Standard Industrial Classification Manual*. The new list is available for 70¢ from U.S. Govt. Printing Office.

Factory sales of TV receiving & picture tubes declined in volume in September from the preceding & year-ago months. The September sales of 913,496 picture tubes slipped almost unnoticeably from Sept.-1959's 913,697, although dollar value budged up to \$18,345,103 from \$18,066,647. The decline in receiving tubes was more pronounced: 34,612,000 units at \$28,007,000 from 41,989,000 at \$34,810,000 in the year-ago month. Here is EIA's itemization of 1960 picture & receiving tube sales:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January .....	795,250	\$15,831,430	31,367,000	\$26,872,000
February .....	741,233	14,495,480	32,734,000	27,881,000
March .....	794,375	15,654,281	36,382,000	31,751,000
April .....	707,252	13,782,769	29,737,000	25,759,000
May .....	659,859	13,329,826	30,354,000	25,580,000
June .....	756,827	15,505,481	33,916,000	29,065,000
July .....	681,785	13,898,468	34,883,000	28,810,000
August .....	928,164	18,843,067	38,540,000	31,702,000
September .....	913,496	18,345,103	34,612,000	28,007,000
Jan.-Sept. 1960 .....	6,978,241	\$139,685,905	302,459,000	\$254,916,000
Jan.-Sept. 1959 .....	6,857,682	132,465,278	315,797,000	269,344,000

New plants & expansions: International Rectifier has teamed with Italy's Piemontese Sviluppo Industriale S.P.A. to establish a semiconductor operation in Borgaro, Italy, near Turin. Construction of a 16,000-sq.-ft. Borgaro production plant is scheduled to start next month. • Micro State Electronics has been established as a subsidiary by Pittsburgh steel fabricator Apollo Industries to produce microwave & solid-state components & devices. Micro State will operate out of New Providence, N.J., is slated to commence production by year's end. • Collins Radio has formed a communications & data processing div. to provide on-line, real-time computer service for commercial customers. Communications links with Collins's data-processing center at Cedar Rapids are being made to subscriber stations in Los Angeles, Dallas, Washington, N.Y. and Kansas City.

Emerson has leased a 115,000-sq.-ft. single-story plant at Woodbridge, N.J. for the engineering & production of its air-conditioner line. The newly constructed plant, on a 9-acre tract, is expected to be in operation in the next several months. Pres. Benjamin Abrams said the "new home for our air-conditioner operations will free a considerable area in our Jersey City plant, which is needed to provide additional facilities for the expanding demands of our technical products & consumer-products divs."

That 16-in. square-cornered tube (Vol. 16:43 p15) apparently is doomed to failure. Even before sampling of the glass bulbs by Corning, set manufacturers seem to agree the size will die a-borning. A spot check of 4 large manufacturers brought the unanimous response that the tube has no reason to exist in view of the fact that it would cost more than a 19-in. tube.

Mercury Tube Corp., 173 Newark St., Newark, has been charged in an FTC complaint with failure to disclose that TV picture tubes it manufactures & distributes are rebuilt and contain used parts.

Complaint that TV cabinets are too boxy may have some substance, in view of the election returns from Fieldale, Va. A lady voter dropped her ballot in the vent of a wooden-cabinet TV set (whose screen had been turned toward the wall) at the firehouse there, mistaking it for the ballot box.

New line of 9-pin receiving tubes with all-glass bases was announced recently by RCA. Developmental samples of the "Novar" tubes, priced lower than their present octal-based counterparts, are being offered to equipment makers.

**Trade Personals:** Robert L. Shaw, former pres. of Sylvania Home Electronics Corp., joins Emerson marketing subsidiary Du Mont Emerson Corp. in new post of exec. vp in charge of sales, merchandising & advertising . . . Clarence H. Hopper, new pres. of CBS Electronics (Vol. 16:43 p18), elected to CBS Inc. board.

Sydney W. Natkin, ex-RCA, promoted to vp-sales mgr., National Co. . . . Wesley E. Wood rejoins Du Mont Labs as electronic tube div. distributor sales mgr.; Richard J. Sparnon also rejoins Du Mont (from Sylvania) as ad & sales promotion mgr. for the tube div.; Robert Bruce Jr. promoted to gen. mgr. of Fairchild Camera & Instrument defense products div., succeeded as div. mktg. mgr. by John S. Auld, onetime asst. mgr. of Fairchild's Du Mont military electronics dept.

Charles F. Thomas, ex-Lockheed, named to new post of mktg. & planning mgr., RCA major defense systems . . . John L. Herre, ex-Raytheon, named General Instrument Corp. semiconductor div. govt. sales mgr. . . . H. Malcolm Wilkinson, ex-Avco Corp., named mgr., Stromberg-Carlson electronics div. data acquisition & logging section; Joseph P. Vang named asst. mgr. of field sales, same div.; Paul E. Brandt appointed mgr., S-C Red Bank, N.J., district office.

Steven Berck named mktg. services mgr., Motorola semiconductor products div. . . . Niles P. Gowell promoted from receiving tube operation chief engineer to engineering mgr., Raytheon industrial components div. . . . Howard A. Bond, ex-Stromberg-Carlson, appointed to new post of systems & development vp, Dresser Industries.

Warren H. Dunning named ad & PR mgr., ITT Industrial products div.; Dorsey Roe appointed sales mgr. of power conversion equipment, same div. . . . Peter deRougemont named Columbia Records vp for Latin & South American operations . . . John A. Doremus promoted from engineering vp to pres., Barker & Williamson (electronic communications equipment & components) . . . Lee J. Goodman and Herbert R. Baker named vps, Newark Electronics Corp.

September TV inventory of Canadian set makers & distributors dropped 56.8% below the Sept. 1959 level, setting a new low for that date since 1954. EIA of Canada reports that September TV sales to dealers set a 1960 high with 46,944 sets—61.4% ahead of August (Vol. 16:42 p20). The September TV surge pushed year-to-date business to 231,099 TVs vs. 271,222 for Jan.-Sept. 1959. Radio sales in September rose 24.3% to 56,270 from 42,554 units in August. Jan.-Sept. radio sales totaled 361,740 vs. 413,496 in the year-earlier period.

Chicago Spring Conference on Broadcast & TV Receivers, sponsored by IRE's Chicago Professional Group on Broadcast & TV Receivers, will be held June 15-16 at O'Hare Inn, in Chicago suburb Des Plaines, Ill. Potential authors are asked to submit papers to Neil Frihart, Motorola. A session will be devoted to "new type" broadcasting activities, including stereo. Stratovision, commercial satellite broadcasting and pay TV.

One-year warranty for labor as well as parts has been introduced by Pentron for its new Astra-Sonic II tape recorder (\$189.95, monophonic; \$219.95, stereophonic). "We are not just making conversation about reliability & performance in our new recorder," said Penton Pres. Irving Rossman. "This is the first & only tape recorder, to my knowledge, with a full one-year warranty."

"Zenith & Pay TV" will be featured in the December issue of *Fortune*.

**3RD-QUARTER PROFIT SLUMP (Cont.):** The "3rd-quarter sag" which already has spread its symptoms of strong sales & weak profits among most TV set makers (Vol. 16:45 p19)—last week hit 2 others: Admiral & Motorola. Their financial reports represent fresh evidence that 1960 likely will win distinction as the year volume rose but income fell for many firms (see p. 16).

A 3rd manufacturer, Zenith, which previously reported lower 3-&-9-month profits despite record Jan.-Sept. sales (Vol. 16:45 p20), furnished some of the reasons. Among them: the company's first strike in 41 years, dumping by competitors. Admiral attributed its profit drop to a decline in appliance sales. Motorola blamed increasing costs as a major factor, as well as less-than-expected sales.

Admiral profit plunged about 80% in 1960's first 9 months on a slight sales slip to \$145 million from \$145.8 million in Jan.-Sept. 1959 (see financial table). For the September quarter, Admiral suffered an indicated deficit of \$81,000 as sales fell about 9%. Pres. Ross Siragusa said the drop in earnings was caused entirely by the drop in appliance sales: "Sales & profits from TV & radio receivers were higher during the first 3 quarters but appliance sales slipped sharply during the period."

\* \* \* \*

Motorola's 3rd-quarter performance conformed with the typical industry pattern: sales up, profits down. For the September quarter, sales inched ahead to \$77.2 million from \$77.1 million a year ago, but profit declined 9% (see financial table). "Our volume was held down by recent reduced demand for TV receivers & certain other consumer products, as well as a lesser volume in our military div. than last year," explained Pres. Robert W. Galvin. "Our earnings were less than anticipated because of increased costs to achieve the available consumer-products business, temporary start-up costs of certain newer transistors, and the decision on the part of Motorola to continue its expanded new-product investigations & engineering work with an eye on the long-range profit opportunities of these in contrast to their immediate effect on costs." As a result of performance to date, Motorola still expects record sales for the year, but now believes its earlier forecast was optimistic, has revised it downward to 1959's \$14-million level.

\* \* \* \*

Zenith sales rose 4½% to a record \$184 million in Jan.-Sept., "but profits in the period were affected by a continuation of unrealistic pricing & liquidations on the part of several principal competitors, which placed continued pressure on the company's prices," explained Chmn. Hugh Robertson & Pres. Joseph S. Wright in a joint report. The 4-day strike at 4 Chicago plants (Vol. 16:34 p15) "had a substantial effect on sales & profits in the 3rd quarter," they said, and "profits were also affected by the high starting costs & delays in the company's Rauland tube plant in connection with starting production of several new types of cathode-ray tubes." Factory shipments of Zenith TVs during Jan.-Sept. increased to a record level—6% ahead of a year ago (vs. industry's 2½% decrease). "As a result of the substantial increase in TV receiver sales in the 9-month period as compared to an industry decline," Robertson & Wright pointed out, Zenith "obtained a larger share of the total TV industry volume than it had in the same period the year before, and further strengthened its hold on first position in TV-receiver industry." The executives reported a 13% Jan.-Sept. rise in sales of TVs with Zenith's remote control and a "substantial" gain in radio shipments.

Trading in Television Industries stock was suspended by the American Stock Exchange for one day on Nov. 10. The suspension resulted from confusion over a highly favorable financial report on the TV-film distribution company headed by Matthew Fox. The ASE said that publication of the report produced a heavy influx of buy orders for Television's common, which raised the price to 4½ by 2:10 p.m. from the opening 2¾. Trading was halted after company officials advised that the published report was inaccurate, and ASE Chmn. Joseph F. Reilly said "the issue will not be traded until the situation has been clarified to the satisfaction of the exchange." The confusion developed with the publication of a profit report of \$1,144,000 (\$1.40 a share) on revenues of \$5,377,000 for the 9 months to Sept. 30 (vs. total 1959 earnings of only \$111,362 or 14¢ a share). A later clarifying statement reduced the \$1,144,000 profit to "\$813,000 after minority interests," reported Nov. 11 *Wall St. Journal*, adding: Treas. Martin Schildkraut said, however, "that because Television Industries had a deficit in its surplus account in the balance sheet at the end of 1959, any surplus earnings before minority interests available out of this year's operations will be applied to reduction of that deficit. The deficit was reported at \$2,496,180 at the end of 1959."

F. L. Jacobs Co. trustees have been authorized by the U.S. District Court in Detroit to accept a \$1,029,000 federal income tax refund in settlement of tax claims by the company or govt. through 1958. Now undergoing reorganization under bankruptcy laws, Jacobs once was headed by ex-MBS Pres. Alexander L. Guterma, whose financial & broadcasting operations led him into prison (Vol. 16:45 p8).

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, November 10, 1960

Electronics    TV-Radios-Appliances    Amusements

*The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.*

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	20	22½	Magnetics Inc.	8½	9½
Aerovox	6¾	7½	Maxson (W.L.)	7½	8½
Allied Radio	22½	24½	Meredith Pub.	39	42½
Astron Corp.	1½	1¾	Metropolitan Bstg.	16½	17½
Baird Atomic	24½	26½	Milgo Electronics	15½	17½
British Industries	13¾	15½	Narda Microwave	4½	5
CGS Labs	7¾	9½	Official Films	1½	2½
Cetron	3¾	4½	Pacific Automation	4	4½
Control Data Corp.	44	47½	Pacific Mercury	5½	6½
Cook Elec.	12½	13½	Perkin-Elmer	40	43
Craig Systems	13	14½	Philips Lamp	166	171½
Dictaphone	37½	36½	Pyramid Electric	2½	2½
Digitronics	21½	23½	Radiation Inc.	19	21
Eastern Ind.	11¾	12½	Howard W. Sams	34	37½
Eitel-McCollough	13½	15½	Sanders Associates	29½	32
Elco Corp.	14½	16½	Silicon Transistor	5½	6½
Electronic Associates	24½	26½	Soroban Engineering	33	36½
Electro Voice	8¾	10	Soundscripter	9	10½
Electronic Associates	24½	26½	Speer Carbon	19½	21½
Erie Resistor	8¾	9½	Sprague Electric	43½	46½
Executone	20	23	Sterling	1%	1%
Farrington Mfg.	30½	33	Tait Bstg.	11½	13½
Fischer & Porter	16	17½	Taylor Instrument	33	35½
FXR	34	37½	Technology Inst.	7½	9
General Devices	9¾	10½	Tele-Broadcasters	5%	1-1/16
G-L Electronics	7½	8¾	Telechrome	10½	12
Granco Products	3½	3¾	Telecomputing	6½	7½
Gross Telecasting	19½	22½	Telemeter	9½	10½
Haydu	1/16	¼	Time Inc.	60½	64
Hewlett-Packard	22½	24	Tracerlab	9½	10½
High Voltage Eng.	138	147	United Artists	6½	7½
Infrared Industries	16¾	18½	United Control	18½	20½
International Rectifier	19	20½	Universal Trans.	5½	1½
Interstate Engineering	19½	21½	Vitro	10	11
Itek	45½	49½	Vocaline	2½	3-3/16
Jerrold	7½	8½	Wells-Gardner	14½	15½
Lab for Electronics	44½	47½	WJR Goodwill Station	8½	9½
Lel Inc.	4½	5½	Wometco Ent.	12½	13½
Magna Theater	2½	2½			

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral	1960—9 mo. to Sep. 30	\$ 144,976,988	\$ 1,207,764	\$ 497,072	\$0.21	2,407,136
Story on p. 19.	1959—9 mo. to Sep. 30	145,849,148	4,906,253	2,371,376	.99	2,390,196
Allied Artists	1960—qtr. to Oct. 1	4,244,000	—	277,380	.30	899,240
	1959—qtr. to Oct. 1	5,200,000	—	652,600	.72	888,555
CBS Inc.	1960—39 wks. to Oct. 1	336,582,220	35,401,313	15,496,313	1.85	—
	1959—39 wks. to Oct. 3	318,291,438	38,857,934	17,496,934	2.09 <sup>1</sup>	—
Decca Records	1960—9 mo. to Sep. 30	—	—	4,159,772 <sup>2</sup>	3.24	1,285,701
	1959—9 mo. to Sep. 30	—	—	911,260 <sup>3</sup>	.60	1,527,401
Electronic Research Associates	1960—qtr. to Aug. 31	568,023	—	43,600	.23	189,879
	1959—qtr. to Aug. 31	424,839	—	19,800	.16	120,340
General Dynamics	1960—9 mo. to Sep. 31	1,422,771,395	—	(25,084,568)	—	—
	1959—9 mo. to Sep. 30	1,269,888,520	—	24,541,951	2.47	—
General Precision Equipment	1960—9 mo. to Sep. 30	176,554,550	7,982,412	3,622,512	2.28 <sup>4</sup>	1,127,194
	1959—9 mo. to Sep. 30	156,420,305	6,513,228	3,043,628	1.91 <sup>4</sup>	1,125,819
	1960—qtr. to Sep. 30	55,831,746	2,612,176	1,155,376	.71 <sup>4</sup>	1,127,194
	1959—qtr. to Sep. 30	54,118,366	2,173,534	980,587	.57 <sup>4</sup>	1,125,819
Motorola	1960—9 mo. to Sep. 30	220,702,933	20,578,076	9,782,851	2.43	4,028,652
Story on p. 19.	1959—9 mo. to Sep. 30	206,012,733	19,983,637	9,485,024	2.45 <sup>5</sup>	3,870,262 <sup>6</sup>
	1960—qtr. to Sep. 30	77,201,664	7,025,114	3,276,633	.81	4,028,652
	1959—qtr. to Sep. 30	77,145,487	7,879,433	3,598,653	.93 <sup>3</sup>	3,870,262 <sup>3</sup>
Newark Electronics	1960—year to Aug. 31	7,850,000	—	166,000	.55	—
	1959 <sup>7</sup>	—	—	—	—	—
Pacific Industries	1960—year to Aug. 31	20,528,552	—	(68,864) <sup>8</sup>	—	1,415,354
	1959—year to Aug. 31	15,949,850	—	600,541	.52	1,145,354
Paramount Pictures	1960—9 mo. to Oct. 1	—	—	6,137,000 <sup>10</sup>	1.87 <sup>9</sup>	1,673,231
	1959—9 mo. to Oct. 1	—	—	6,609,000 <sup>11</sup>	2.14 <sup>9</sup>	1,703,927
	1960—qtr. to Oct. 1	—	—	2,405,000 <sup>12</sup>	.80 <sup>9</sup>	1,673,231
	1959—qtr. to Oct. 1	—	—	1,349,000 <sup>13</sup>	.68 <sup>9</sup>	1,703,927
Specialty Electronics Development	1960—year to July 31	3,908,177 <sup>0</sup>	—	174,944 <sup>0</sup>	.15	—
	1959—year to July 31	1,566,723	—	101,908	.09	—
Transitron	1960—qtr. to Sep. 24	11,767,511	—	1,825,804	.24	7,502,500 <sup>7</sup>
	1959—qtr. to Sep. 24	10,155,584	—	1,777,049	.24	7,502,500 <sup>7</sup>

Notes: <sup>1</sup> Adjusted for Dec.-1959 3% stock dividends. <sup>2</sup> Includes results of subsidiary Universal Pictures. <sup>3</sup> Adjusted to reflect July-1960 2-for-1 split. <sup>4</sup> Year-ago comparisons unavailable because of change to fiscal from calendar accounting. <sup>5</sup> After non-recurring loss of \$469,892. <sup>6</sup> Record outstanding Sept. 24, 1960. <sup>7</sup> After preferred dividends. <sup>8</sup> On profit from operations. <sup>9</sup> Includes special income of \$3,018,000 (\$1.80 a share) from installments on sale of pre-1948 films. <sup>10</sup> Includes special film-sale income of \$2,965,000 (\$1.74). <sup>11</sup> Includes special film-sale income of \$1,063,000 (64¢). <sup>12</sup> Includes special film-sale income of \$198,000 (11¢).

Electronics, Missiles and Communications Inc. has been established at 262 E. 3rd St., Mount Vernon, N.Y. to produce translators and microwave relay equipment for TV applications. Founder & pres. is Dr. B. W. St. Clair, formerly research development dir. at Adler Electronics. Vps of the new concern, also ex-Adler: Henry Shapiro & Robert F. Romero.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Axe Science & Electron	—	\$0.26	Jan. 6	Nov. 18
CBS Inc. . . . .	Q	.35	Dec. 9	Nov. 25
CBS Inc. . . . .	Stk.	3%	Dec. 19	Nov. 25
Electronic Research "A"	Stk.	3%	Dec. 30	Nov. 30
Erie Resistor . . . .	Stk.	4%	Dec. 15	Nov. 18
GT&E . . . . .	Q	.19	Dec. 31	Nov. 22
General Tire & Rubber	Q	.25	Nov. 30	Nov. 14
Minneapolis-Honeywell	Q	.50	Dec. 10	Nov. 18
Newark Electronics "A"	—	.16 1/4	Dec. 30	Dec. 15
Paramount Pictures . .	Q	.50	Dec. 16	Dec. 1
Siebler . . . . .	Q	.10	Dec. 1	Nov. 15
TV-Electronics Fund ..	Q	.05	Nov. 30	Nov. 3
TV-Electronics Fund ..	Ex.	.32	Nov. 30	Nov. 3
Trans-Lux . . . . .	Q	.30	Dec. 16	Nov. 21
Trans-Lux . . . . .	Stk.	5%	Jan. 17	Dec. 16
WJR, Goodwill Station.	—	.15	Dec. 8	Nov. 23

Progress Electronics Corp., Van Nuys, Cal. company organized in May for manufacture & sale of "various" electronic products, has been accused by SEC of making "false & misleading" statements in a circular promoting proposed public sale of stock. Ordering temporary suspension of Progress Electronic's exemption from stock registration requirements of the 1933 Securities Act, SEC charged that the offering (200,000 common shares at \$1.50 per share) violated anti-fraud provisions of the law. For one thing, SEC said, the company failed to disclose that principal Progress Electronics stockholder Dr. P. Marie d'Aigle was the wife of vp Napoleon J. Daigle of a firm listed as the underwriter.

Reports & comments available: Amphenol-Borg Electronics, study, Hornblower & Weeks, 40 Wall St., N.Y. 5 • Moviela Film Labs, discussion, Cranberry, Marache & Co., 67 Wall St., N.Y. 5 • Newark Electronics and Advance Ross Electronics, reviews, H. M. Byllesby & Co., 135 S. LaSalle St., Chicago 3 • Del Electronics, prospectus, Standard Securities Corp., 25 Broad St., N.Y. 4 • Paramount Pictures, report (T-4) on pay & color TV, L. F. Rothschild & Co., 120 Broadway, N.Y. 5 • United Electrodynamics, prospectus, William R. Staats & Co., 640 S. Spring St., Los Angeles 14.

# 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

**HARRIS-PASTORE ACT IMPLEMENTED** by FCC in new rules eliminating McFarland letters, setting up pre-grant protest procedure, requiring local application notices (p. 1).

**FORD NOTES INDUSTRY & FCC "MATURITY."** gives progress report on major problems (p. 4).

**KTTV IS LONE OPTION-TIME APPELANT.** asking court to reverse FCC on anti-trust grounds (p. 5).

### Programming

**TALENT TALKS SUSPENDED** between AFTRA-SAG and 3 networks. Although strike wasn't called, unions don't like the network offer and are gathering their strength for a fight (pp. 2 & 6).

**PROGRESS REPORT ON VIOLENCE:** Producers, reversing themselves, are toning down sex & violence, our survey discloses (p. 5).

### Film & Tape

**FCC EASES FILM SEC. 317 BURDEN.** waiving payola-announcement requirements until new rules can be written, granting ATFP petition (p. 2). Dept. (p. 13).

### Auxiliary Services

**BIG-BUSINESS CATV SALES:** H&B's \$5-million buy of Jerrold group completed; Hotel Operating Co. buys Myers properties for \$1.15 million; another \$5-million sale in works (p. 2).

### Stations

**McCOLLOUGH URGES "OFFENSIVE"** by broadcasters at NAB conference to beat down remaining freedom-of-the-air barriers in Communications Act's equal-time Sec. 315 (p. 11).

**TWO NEW OUTLETS IN WINNIPEG AREA:** KCND-TV Pembina, N.D. & CJAY-TV Winnipeg boost area service to 4 outlets; KVOG-TV Ogden-Salt Lake City starts Nov. 23 (p. 11).

### Consumer Electronics

**MYLAR "WRAPAROUND" SHIELD** for picture tubes developed by du Pont and tube makers; may make possible lighter, lower-cost portable sets (p. 16).

**HOTEL TV BUSINESS** reaching plateau, with about 1.75 million sets in field. TV firms expand services to include other electronic equipment, go after hospital market (p. 16).

**RCA'S COLORFUL WEEKEND,** Nov. 11-12, produced retail sales of 5,731 color TVs, other results (p. 18).

**SEPT. PHONO SALES** dropped 3% below 1959 at retail level. Stereo sales ran slightly ahead of last year for month (p. 19).

**CONSUMER BUYING PLANS** seen turning upwards by prognosticators & surveyors; there's feeling turning point is here (p. 20).

### Networks

**NETWORK RIVALRY NARROWS** at night as ABC closes gap behind NBC, and NBC moves to a hairbreadth behind CBS (p. 3). **DAILY OUT, HAGERTY IN** at ABC. Reasons why the network's news vp became disgruntled (pp. 3 & 7).

**NETWORKS' GROSS TIME BILLINGS** gained 9.6% during 1960's last 9 months. TvB reports business increased to \$494.4 million from \$451.3 million in 1959's first 3 quarters (p. 8).

### Advertising

**SHELL TOSSES OUT COMMISSION** tradition; in future, its agency, Ogilvy, Benson & Mather, will work on cost-plus-25% fee (p. 9). **TVB'S N.Y. MEETING** hears president of department store which became a TV success story (p. 9).

### Other Departments

**CONGRESS** (p. 6). **EDUCATIONAL TV** (p. 8). **PERSONALS** (p. 15). **FINANCE** (p. 21). **FOREIGN** (p. 24).

**HARRIS-PASTORE ACT IMPLEMENTED BY FCC:** New rules, carrying out the provisions of the omnibus broadcasting-reform law enacted in September (Vol. 16:44 p12), were adopted last week by FCC. At the same time, the Commission abandoned the McFarland-letter procedure and set up local-notice requirements for license applications.

The "McFarland-letter procedure" in brief: FCC tells an applicant: "It looks as if we can't grant your application without a hearing. Here are the reasons. Tell us your version. If you convince us we're wrong, you'll get a grant without a hearing. If you can't convince us we're wrong, you will have to go through a hearing to try to prove your case."

New pre-grant protest rules effective Dec. 12 under Harris-Pastore Act provide for: (1) Elimination of McFarland letters. (2) Permitting "parties of interest" to file objections to applications which aren't designated for hearings. (3) Closing books on such applications in 30 days. (4) Denying protests after grants. (5) Accepting petitions for reconsideration only if they "show good cause why the matters could not have been raised prior to the grants."

New local-notice rules effective at same time require: (1) Two-week, twice-weekly announcements in local newspapers immediately following filing of applications for new stations or for major changes in existing facilities, indicating "if & when such applications are designated for hearing." (2) Notices broadcast by operating stations when applications are filed for modification, assignment, transfer or license renewal.

Exempted from new law are "minor" application amendments & facility changes, however. Com-

mission said "it is not possible to categorize every change & amendment" in advance. So rules provide 15-day periods in which FCC may send notifications when proposed amendments or changes are "major" and therefore subject to new regulations.

**TALENT TALKS SUSPENDED:** The AFTRA-SAG strike situation (Vol. 16:46 p3) was still unresolved late last week, with the talent unions breaking off their negotiations with the networks at 3:30 a.m. Nov. 16. A strike against live & tape network programs, and against all types of TV commercials, wasn't on—but it wasn't off, either. If anything, the impasse resembled a Western movie being run through a faulty projector which has managed to get stuck on the frame where the marshal and the heavy both reach for their shootin' irons in front of the Last Chance saloon. As hours ran into days, and network service continued normally, the TV industry sat around waiting for the "bang" of a strike call. The labor-management protagonists, however, were just standing there, frozen in aggressive-but-unresolved images (see p. 6).

**FCC EASES FILM SEC. 317 BURDEN:** Film producers got the break they were seeking last week when FCC granted their petition and waived the payola-announcement requirements of Communications Act's amended Sec. 317 until new Commission rules can be promulgated.

Alliance of TV Film Producers had called FCC's attention to great difficulties they would have in attempting to ferret out "payola" in old film. It had asked that the old no-announcement rules be applied to film made before Sept. 13, the effective date of Sec. 317 amendments, and for a waiver to cover post-Sept. 13 production until next January. FCC granted waiver "irrespective of the production date" of film.

Commission made it clear, however, that waiver doesn't apply to the 27 sacred payola examples included in House Commerce Committee's report (Vol. 16:39 p4) or to sponsorship-identification requirements of rules governing broadcast of controversial issues. It added this cautionary note:

"It is not the purpose of this waiver to permit general disregard of the obligations of broadcast licensees to make sponsorship identification announcements. Rather, it is intended to provide a measure of relief in those cases where a licensee in good faith is unable to ascertain with certainty his obligation under Sec. 317 as amended."

**MORE BIG-BUSINESS CATV SALES:** Even as Jerrold's \$5-million sale of its 9 CATV systems to H&B American Corp. was being completed last week, other big-money community antenna transfers were being consummated or in the works.

Biggest CATV operator—in terms of number of systems owned—is now Hotel Operating Co., operator of Jack Tar hotel chain, solely owned by Texan Charles Sammons, also an insurance & real estate tycoon. Hotel Operating, through its subsidiary PenNy Corp. (owner of CATVs in Pa. & N.Y.), last week purchased the 5 systems owned by Stuart J. Myers & Robert E. Dunham (in Athol & Pittsfield, Mass.; Warren Pa.; Claremont, N.H.; Bellows Falls, Vt.), with total of 10,000 subscribers. Hotel Operating also owns Trans Video, which operates CATVs in Pennsylvania.

With purchase of Myers-Dunham properties for an estimated \$1.15 million, Hotel Operating now owns 14 CATV systems with estimated total of 36,500 subscribers.

An even bigger deal, understood to be in works—equalling record Jerrold sale—involves negotiation for sale of largest block of CATV systems in Pacific Northwest under single ownership. Harbor Group, headed by Homer Bergren of Seattle, is said to be close to \$5-million deal with undisclosed purchasers.

Also shopping actively for CATV systems last week was Bartel Family Radio Group (TV outlets in Netherlands Antilles, 6 U.S. AMs), which reportedly has options on several major CATV properties.

H&B American Corp.'s takeover of Jerrold's 9 systems with 33,000 subscribers (Vol. 16:33 p8) also involved microwave systems serving CATV systems in 5 states. H&B subsidiary Transcontinent Communications Systems, established to operate CATV properties, was negotiating last week to buy more.

Moving over from Jerrold as exec. vp of Transcontinent is Leon N. Papernow, former mgr. of Jerrold's CATV operating division and ex-California broadcaster (KFSD-TV & KFSD San Diego). Already announced as president of Transcontinent is ex-CBS-TV vp Charles L. Glett. Parent H&B American is headed by David E. Bright, Los Angeles industrialist & art patron, 55% owner of KFBB-TV Great Falls, Mont. H&B recently sold off less profitable subsidiaries to establish Transcontinent, is owner of Big Boy Mfg. Co., Los Angeles, and part owner of Quickway Truck Shovel Co., Denver. Traded on American Stock Exchange, it becomes first firm listed on a major exchange to invest in CATV industry.

Meanwhile, Jerrold last week filed appeal from last summer's anti-trust decision which bars the equipment maker from acquiring CATV systems before April 1962, among other terms (Vol. 16:31 p8).

In another significant CATV development last week, FCC Chmn. Ford indicated that an end was in sight to infighting between small-town TV stations & CATV systems. For details, see p. 8.

**NETWORK RIVALRY NARROWS:** Real three-network competition is finally here, and difference between over-all 1st and 3rd place at night is less than 2 average-audience rating points. Although strong individual shows on all 3 networks swing the balance back & forth between ABC-TV, CBS-TV & NBC-TV on different nights of the week, the over-all pattern is practically a 3-way split this season.

This wasn't true in 1959 by any means. The 2nd of Nielsen's Oct. reports last year showed definite 1st, 2nd & 3rd places for evening prime time (7-11 p.m. Sun., 7:30-11 p.m. Mon.-Sat.). This was the situation then: CBS led the pack with 21.1 AA average. NBC trailed noticeably with 17.8 and ABC with 15.4.

NBC has bounced back with a vengeance in 1960. In 1959, CBS's AA average was 16% ahead of NBC on above yardstick, and NBC was 16% ahead of ABC, which seemed to be gaining rapidly on NBC. Then NBC finally got the ball and ran with it.

ABC has gained on NBC, as NBC has gained on CBS in the 3-network nighttime audience race. This season, 2nd Nielsen Oct. report showed CBS still ahead with 18.7, NBC hard on its heels with 18.0, and ABC crowding right behind with 17.2. ABC is only 5% behind NBC's AA level, and NBC is only 4% behind CBS. And, while both ABC and NBC audience levels are higher, CBS's has dropped.

NBC's stronger position is due to several factors. Among them: The 1960 convention-campaign-election rating successes of NBC's Huntley-Brinkley news team; the strong (except for Mon. & Fri.) audience-share levels of 60-min. film shows slotted by NBC in the 7:30-8:30 p.m. periods; the acquisition of such strong 30-min. film properties as Alfred Hitchcock Presents (which has boosted ratings for a 2½-hour block of mysteries on Tuesday); critical acclaim for informational shows produced by Irving Gitlin & Julian Goodman; and a more "qualitative" approach to TV entertainment specials.

Mood at NBC is one of optimism, for a change, these days. One NBC source, summing it up, told us last week: "Last year, we were wondering what we would do when we were the 3rd network. This year, we're thinking in terms of being Number One."

On less-than-national yardstick ABC is ahead in 24 Nielsen-measured cities where there's simultaneous network rivalry on full nighttime schedules of all 3 networks. For week ended Nov. 6, audience-share averages in prime time (7:30-11 p.m., Mon.-Sat.; 6:30-11 p.m. Sun.) in 24 key cities were: ABC—38.8% CBS—32.4%; NBC—28.3%.

Researchers point out, however, 4 major qualifications: (1) ABC's U.S. coverage is still below that of NBC & CBS, and ABC lineups are generally shorter. (2) ABC still has lots of delayed telecasts in smaller markets which tend to lower ratings. (3) Even if ABC's clearances fully matched rival networks, ABC's action-adventure, private-eye and comedy shows are seldom as popular in many small towns as they are in the few major metropolitan markets. (4) ABC's big score was made in pre-election week, when NBC & CBS were loaded with paid political telecasts and ABC hewed more closely to its regular program fare.

**DALY OUT, HAGERTY IN:** Jim Hagerty is principal offstage reason for resignation of ABC vp for news & public affairs John Daly last week. Hagerty, Eisenhower press secy., is taking over Daly's administrative title & job (but not Daly's performing chores) when Kennedy moves into the White House. Rumors that Hagerty would take a top news spot at ABC have been heard in the industry for weeks. (Vol. 16:42 p. 11).

The "6-figure salary" mentioned by the N.Y. Times for Hagerty seemed obviously exaggerated when compared with known salaries of higher echelon officers at ABC-TV. TV editor Jack Gould's front-page Nov. 18 story was officially ignored by ABC's top officials, but was privately admitted to be substantially "accurate."

Hagerty entrance alone didn't trigger Daly's move. There's been growing rift between Daly and AB-PT Pres. Leonard H. Goldenson over several items:

(1) Daly says ABC has "sold out" the firm (so far) ruling of all 3 networks against accepting news-area shows from outside packagers or allowing advertisers a say in content. Daly's prize beef is a deal whereby Time Inc. will co-produce a quartet of documentaries with ABC for Bell & Howell public-affairs series.

(2) Daly was annoyed on election night when ABC-TV broke the sequence of its election reportage to run, 7:30-8:30 p.m., regular episodes of Bugs Bunny and The Rifleman. Once you start something like election coverage, Daly said you shouldn't stop it for routine fare.

(3) Thomas Velotta, who will sub pro-tem for Daly, has held a post (vp for special programs in news area) which has paralleled Daly's, to Daly's annoyance. Also, Daly has been reporting to program vp Tom Moore, rather than to Pres. Ollie Treyz. (Details of Daly's resignation on p. 7.)

**FORD NOTES INDUSTRY & FCC 'MATURITY':** In a sort of valedictory as FCC chairman before he steps back into the Commissioner ranks, Frederick Ford struck a distinct note of gratification in his luncheon address at NAB's fall conference in Washington last week.

Ford congratulated both industry & FCC for having achieved "a maturity of attitude." He cited particularly the passage of S. 1898—the bill that changes many Commission procedures—as "a landmark of cooperation" for Congress, FCC & industry. He then ran through important problems, topic-by-topic:

(1) TV allocations. Legislation requiring the manufacture of only all-channel sets is "indispensable." "Most of the nation could be converted in a few years"—less than the 7-to-9 years it takes for sets to become obsolete. If such legislation isn't forthcoming, he said, "I'm afraid we'll have to solve the problem on an administrative basis." This, he added, wouldn't be "as satisfactory" as the all-channel-set method.

(2) Network regulation. FCC still opposes licensing, believes only that it should be given power to regulate networks directly instead of indirectly, as it does now.

(3) Programming. "Nobody can do anything about programming but the people who watch & listen. It's up to the licensee to know the community. It's up to the FCC to see that he goes out & talks to people and sees what they need." Commission is studying revision of renewal form, he said (for details, see Vol. 16:46 pp4 & 7), but it will take time because there are "many differences of opinion" when it comes to implementing Commission's basic policy conclusion (Vol. 16:31 p1).

(4) Amendments of Sec. 317 (payola) & Sec. 315 (equal time) of Communications Act. "These are greatly to the advantage of the industry." Payola & fixed quizzes "are a thing of the past . . . a history we can all forget."

(5) Political broadcasting. FCC is collecting station reports on their campaign activities. "When the returns are all in, even the industry will be surprised by its own performance. The time devoted to the campaign was quite exceptional and far more gratifying collectively than were effects individually."

(6) Complaints & Compliance Div. "It's amazing how many investigations were completed without requiring FCC action." Now, he said, FCC is compiling a record on complaints so that no one can say that the Commission had no knowledge or took no action on charges of violations.

(7) Uhf translators. They're still growing nicely despite fact that vhf boosters have been legalized.

(8) AM clear channels. FCC is still working on solution—hopefully.

(9) Community antennas. "The problem can be solved—may be solved already" (see story on p. 8).

Introduced by NAB Policy Committee Chmn. Clair McCollough, who called him "fair & firm" chairman, Ford got off best quip of his career. He noted that at NAB's convention (Vol. 16:15 p1), McCollough had introduced him—to make his first speech as FCC chmn.—with the slogan: "There's a Ford in your future." He was surprised therefore, on this occasion, that McCollough now did not say: "Watch the Fords go by."

Ford's witty special assistant, James Sheridan, later noting our recent report that Ford was expected to step down "gracefully" (Vol. 16:46 p2), said: "I guess you didn't know Ford has had trouble with his knee."

**TALK-TALK ABOUT NEW FCC CHAIRMAN:** You can have your pick of speculation about FCC's composition under President Kennedy, but don't count on anything yet. Comr. Bartley is still considered likely to be designated chairman—but such things are never certain until they happen.

Some industry people want no part of Bartley, consider him too "regulation-minded." Others pooh-pooh this, say he'll be a much more "understanding" chairman than member.

There's talk in some quarters of urging appointment of Democratic Comr. Craven as temporary "caretaker" chmn. until right man can be found. Then there's rumor that Sen. Magnuson (D-Wash.), chmn. of

Commerce Committee, has been assured voice in selection of chmn. and that he'd favor Kenneth Cox for job. Cox is Seattle attorney whom Magnuson has often called to Washington to handle major TV hearings. Cox would take position if it's tendered—but it hasn't been. Some people are booming Edgar Shelton, ABC Washington vp & campaigner for Sen. Johnson. Many believe that J. Leonard Reinsch would be shoo-in if he wanted job. He's the Cox Stations exec. dir. who held vital position of TV consultant to Kennedy. But he wants to go back to broadcasting.

Most outlandish speculation is that Kennedy might keep Republican Ford as chmn.—a really precedent-setting action. If there's real support for that idea, we haven't been able to find it.

**KTTV LONE OPTION-TIME APPELLANT:** The major foe of option time, KTTV Los Angeles, turned up last week as the sole challenger of FCC's new rules—which reduce optioned periods from 3 to 2½ hours for each of the day's 4 segments (Vol. 16:38 p1). Filed with U.S. Court of Appeals, KTTV's appeal is based almost entirely on Justice Dept.'s opinion that option time violates the anti-trust laws. Justice Dept. itself hasn't appealed. However, law requires it & FCC to represent govt. in the appeal—and it's assumed that the 2 agencies will stick to their positions and present divergent views to court.

KTTV made point of fact that FCC's 4-3 vote was very close, and it asked court to remand the case to Commission with the obvious hope that Comr. King, who broke the tie, might switch his vote or that a replacement for King might vote other way. It requested that court send case back with instructions that Commission toss option time out by simply accepting Justice Dept.'s opinion. At least, station asserted, FCC should be forced to give some weight to Justice's views. And finally, it stated, the court should hold "the Commission's ultimate finding—that the option time practice is 'reasonably necessary' for the preservation of networking—to be arbitrary, capricious, and contrary to the evidence."

Networks & affiliates were silent as deadline for appeal passed, prepared to live with the new rules.

## Programming

**PROGRESS REPORT ON VIOLENCE:** Most telefilm producers have reversed themselves (Vol. 16:30 p6); they are cutting down on sex & violence. This we learn in a new check of Hollywood's blue-pencil squad. It would be Utopian to expect the complete elimination of violence, but there will be a considerable de-emphasis.

There are several factors motivating the new producer attitude: (1) Principally, there appears to be a greater awareness of criticism. For, although the FCC hearings in Washington hadn't made much impact on Hollywood, when the Commission moved West for its industry investigation, the subject was brought home forcibly to the film industry. (2) Profit. Producers want to sell their product.

But trouble spots remain. New-to-TV producers, unaware of industry problems, are still using too much violence & sex. And writers, not yet aware of the new trend, still inject blood-and-thunder to sell their scripts. Both these areas are being watched by network blue-pencillers.

William Tankersley, dir. of program practices for CBS-TV in Hollywood, told us that his network, in a recent survey, found 54% fewer acts of violence in its shows in Oct. 1960 than in Oct. 1959. The network, with a third fewer series of violence, has had an upsurge of situation comedy. Tankersley told us candidly: "At first the producers tried to get more violence into their shows, but they weren't successful. Now that they realize we are serious, their attitude is better; the overall situation is improved."

Dorothy Brown, dir. of network continuity acceptance, Western div., ABC-TV, said: "I have found that producers understand the current feeling against violence. They are cooperating and bringing shows into line. Some formats intrinsically include strife & violence, but even producers of these series are attempting to modify these elements.

The greatest indication of the new attitude will be on shows seen after Jan. 1. Many of the earlier stories were purchased before the full impact of anti-violence sentiment had become apparent. Many of the new producers have no concept of the new 'don'ts,' and writers are describing action with much violence. But clients are reading scripts with apprehension. Sponsors & agencies, much concerned, are asking for scripts to be read as early as possible."

Robert Wood, West Coast mgr., continuity acceptance, NBC-TV, told us: "Producers are increasingly aware of the problem. For example, if a borderline case of violence gets through, and a lot of complaints come in, there is always the question of rerun. Such a film means \$45-to-\$50,000 down the drain if it can't be sold in rerun. We now have a different approach to violence. Where we formerly allowed a character to down another with 4 or 5 slugs, we now limit him to one shot, as a rule. We avoid the sadistic."

Frank Morris, asst. dir. of NAB's TV Code affairs office in Hollywood, echoed the remarks of the others about producer cooperation. He attributed the improvement to the fact that "we have done a lot of education. Producers appear much more receptive to our comments, and more knowledgeable." Morris thought that the FCC hearing in Los Angeles had brought home to producers "what we have been telling them," with the result that there is a "greater awareness, increased cooperation and enlightened self-interest." Added he: "It takes time, but we're heading in the right direction. The public clamor has been all to the good. It would be educational if the public could see how much care & restraint is exercised by producers."

Virtually all those we checked said the problem had been aggravated by the late production start last summer, resulting from the prolonged writer strike. Because they'd been behind schedule, many producers bought scripts on a panic basis, and these early buys reflected more violence than would normally be allowed.

## More about

**AFTRA-SAG'S THREATENED STRIKE:** The situation obviously can't continue indefinitely, and industry sources privately expect AFTRA and SAG to make their big play early this week, possibly Nov. 22. Chances are slim that the unions will decide against a nation-wide, network-level strike. Working closely with the ANA and 4A, the networks made a Nov. 16 offer to the talent unions which the labor groups feel is far short of what they want. This, in essence, was the network package:

1. A slight increase in talent fees for the first-run use of network live or film commercials (\$95 minimum, up from \$93), but lower than present rates for subsequent runs.

2. A flat "no" to AFTRA-SAG's proposals for a down-the-line "unit" system of talent payment for commercials used in national spot-TV campaigns. Instead, the networks (acting on behalf of clients & agencies, and in the act only because of spot commercials carried on network o&o's) offered to raise the rates in N.Y., Chicago and Los Angeles.

3. A flat "no" to a 10% talent-fee increase for live or taped network shows.

4. A concession to AFTRA-SAG to raise radio sports-caster rates on a limited number of championship sports events.

As far as the unions are concerned, the package was strictly "no sale."

In the meantime, AFTRA and SAG have been building up their strike arsenal. AFTRA expects to have a final green light for a strike from the national boards of AFTRA's Eastern, Central and Western regions before Nov. 22. SAG expects a similar green light from its membership by the same date, and was scheduled to hold a Hollywood meeting Nov. 21. (SAG, incidentally, is said to be "deeply disappointed" by the network offer.) NABET (which represents the engineers & technicians at NBC) was watching the strike situation closely, and continued to indicate strongly that it might honor AFTRA-SAG picket lines.

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Unanimous authorization to strike the networks, independent TV stations, ad agencies and producers was voted last week by the Hollywood membership of AFTRA. By its action, Hollywood thus joined AFTRA branches in N.Y. & Chicago. AFTRA's coast exec. secy. Claude McCue told members that the union and employers are in disagreement on at least 50 major contractual items.

Dual role in live TV will be tackled—via video tape—by the Jan. 18 *Du Pont Show of the Month* with a 90-min. adaptation of "The Prisoner of Zenda." The story, involving the twin-brother resemblance of the King of Ruritania and a visiting British Officer, has long been a movie natural because of film's production flexibility (3 Hollywood productions have starred, variously, Ramon Novarro, Ronald Colman, and Stewart Granger). Now, with Alex Segal directing & David Susskind producing from a script by Sumner Locke Elliott, the story will provide a brisk work-out for CBS's tape editors. Christopher Plummer is in the dual starring role. One "Zenda" version, incidentally (the Colman 1937 cinema), is currently in TV circulation as a featured item in NTA's newest movie package.

"The Iceman Cometh," despite WNTA-TV's fears about the play's salty language, brought in no more than 3 negative phone calls from its N.Y. viewers. And, just to prove that you can't win, WNTA-TV—which had scheduled the taped *Play of the Week* from 10:30 p.m. to 12:30 a.m. to preclude moppet viewers—got 68 phone calls from viewers protesting the late starting hour. Arbitron reported that 300,000 homes were tuned in to the Nov. 14 premiere, and at its peak, 500,000 homes were tuned in to this first of two 120-min. installments. Raved non-raving critic Jack Gould of the *N.Y. Times*: "To television has come a moment of enrichment & excitement unequaled in the medium's 13 years: the production of Eugene O'Neill's stark & searing tragedy."

Chief effect of TV debates was to increase "the instability of the electorate," charged political analyst Samuel Lubell at a Nov. 16 RTES newsmaker luncheon in N.Y. Unable to cope with the complex issues discussed, people judged "the candidates' personalities rather than their arguments," he stated, adding that govt. spending & medical care for the aged were the only concrete issues sharpened by the debates. Lubell also attacked those political polls and election-night computers that make the "false claim" of mathematical & scientific precision. "They can't deliver that precision and should make clear their limitations. We do no service to the people by trying to predict an election," he concluded.

Iron Curtain showings are in the works for Red Skelton's Sept. 27 one-man pantomime show saluting the U.N. Skelton and CBS-TV have given permission to the U.S. Information Agency to send kinescopes through U.S. embassies to TV outlets in Russia, Hungary, Poland, Bulgaria and Czechoslovakia as an example of "outstanding American entertainment with international appeal."

Rare interview with Chou En-lai, a 27-min. filmed session between the Red China premier & correspondent Felix Greene, will be televised in this country via affiliated stations of National Educational Television, which has purchased U.S. TV rights to the film. The interview will be the basis of a 90-min. special slated for Nov. 22 by educational KNME-TV Albuquerque.

## Congress

Hot election contest between Rep. Moulder (D-Mo.), original chmn. of the House Commerce Legislative Oversight Subcommittee, and Republican Robert A. Bartel, a Baptist minister (Vol. 16:46 p5), was unofficially won by Moulder. Absentee ballots totted up in the last of 17 counties in Moulder's 11th Mo. district gave him a 408-vote margin over Bartel Nov. 15, following a week in which the count teetered back & forth. Before the tally of absentee votes started, Moulder trailed Bartel by 164. However, the question of who won wasn't yet settled finally & officially. Many of the ballots were challenged by both Democrats & Republicans, at least one Republican election judge was replaced, and the FBI was reported investigating charges of irregularities in the district. Meanwhile the 2nd ranking Democrat on the House Commerce Committee—Rep. Williams (Miss.)—was threatened with trouble from his own party. An outspoken segregationist, Williams won re-election without trouble. But he also campaigned against election of Sen. Kennedy & the Democratic platform. As a result, House leaders may try to purge him from his influential committee post.

## Networks

### More about

**DALY'S EXIT:** In a no-turning-back letter to AB-PT Pres. Leonard H. Goldenson last week, ABC-TV vp John Daly stated he had differed with the network on methods of handling Presidential campaigns, election reports and the Bell & Howell series (see p. 3). He asked to be released from all administrative news duties (but said he'd continue as network newscaster until a separate talent contract expired).

ABC's answer is that no control has been abdicated, and that the network retains "complete creative & editorial control over production" of the B&H series, despite the Time Inc. partnership. The idea for the first co-production show in the series ("Yanki, No!" scheduled for Dec. 7, 10-11 p.m.) was "entirely ABC's," was in fact "suggested" by Goldenson, and was an "assignment under complete ABC supervision" to Time Inc. staff producer Robert Drew. Control of the project, ABC maintains, was exercised in script, shooting and editing stages, with Goldenson acting as sort of a super executive producer.

This wasn't good enough for Daly, apparently. Asked last week for details of his role in the Time Inc. project, Daly intimated that the first real chance he, as news vp, had had to review the project came "when it arrived as a completed can of film." Earlier this year, Daly had voted against the Shulton-sponsored 60-min. "Race for Space" documentary produced by David Wolper on the grounds that the film, however entertaining & informative, was not an ABC production. No network carried the show; it was eventually placed locally.

Public affairs has been an expensive venture for ABC, even though the total amount of such programming has been less than either NBC or CBS has put on in the past year. Most long ABC documentaries (such as "The Dark & the Light") have been given to stations on a co-op basis for lack of national sponsorship. ABC was only partially-sponsored on conventions & elections, (despite the fact that by Election night NBC and CBS were both sold out). And after months of sales effort, ABC-TV has yet to hang out the S.R.O. sign for its Winston Churchill series.

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**Single Canadian Net Applicant:** Canada's competition for a privately operated commercial TV network apparently narrowed down to a single applicant last week—Toronto film distributor S. W. (Spence) Caldwell. The Board of Broadcast Governors said applications had been obtained by 4 groups, but Caldwell's was the only one completed as the deadline passed. Caldwell's proposals will be heard by BBG in Ottawa Nov. 29.

Caldwell proposed a coast-to-coast network tying in the newly authorized private stations in 8 Canadian cities. Details of his plan were not available at press time. He previously had stated that his network would be an interconnected one, as opposed to the film-tape net proposed by a cooperative station-owned group (Vol. 16:37 p8), which apparently has now dropped out of the running.

. BBG also announced a revised definition of a TV network affiliation agreement as "an agreement between any person and a station that includes a provision for reserved time"—deleting previous reference to number of hours covered. BBG said that public hearings will be required for all proposed network operations, except occasional station hook-ups (special events, etc.).

**HARD WORDS FROM NBC TO ABC:** A surprise item on the menu of the luncheon climaxing NBC's 1960 N.Y. meeting of its TV-radio affiliates Nov. 16-17 was the hide of one of the network's chief rivals—ABC-TV. And, as station executives applauded loudly, NBC Chmn. Robert W. Sarnoff served them with slices of ABC's network philosophy that were NBC-roasted anywhere from medium-rare to well-done.

Networks, said Sarnoff, should provide broad-appeal shows, a top-notch news & public-affairs service, and "keep moving ahead" in TV technical developments such as color. NBC and CBS "pursue these objectives," he said. Then, he turned up the broiler under ABC.

"The 3rd network has a different philosophy & a different set of objectives, and has been successful within its own terms," Sarnoff stated. "But this success, and its claim to leadership, has to be judged within the narrow limits of its terms & objectives. The true responsibility of a network is not met by concentrating on a few popular categories of programming to attract the largest audience per program. Nor is it fulfilled by spotty efforts at an occasional documentary or news special. This is not only incomplete broadcasting . . . it is also an inadequate base for the broad range of advertising needs."

Admitting that "we at NBC naturally want massive audiences for entertainment programs," Sarnoff sharply attacked ABC for playing "the numbers game" with rating results (see p. 3). "We would not be content to rest our whole position on mid-evening ratings, because NBC is a round-the-clock network, not a 7:30-10:30 p.m. network; a truly national service, not a 24-market Nielsen multi-network operation. We want to sell out our schedule, but not on the basis of depressing station rates."

### How ABC Reacted

Sarnoff also got in some licks for NBC in the network-vs.-network clearance rivalry that often springs up between ABC and NBC in 2-station markets. NBC, he indicated, was the safest choice in the long run. "There are penalties for a network that sets its sights on the short range & the narrow service. One of them is to remain 3rd among the networks in total weekly viewing—the measurement that reflects the audience for a network's total service."

ABC's reaction to Sarnoff's sarcasm was, officially, "no comment." However, ABC officials requested a copy of the Sarnoff speech, called a meeting of top executives (Goldenson, Treyz, *et al.*) to discuss it, and decided that—as far as ABC was concerned—it indicated heavy NBC concern with ABC's competitive strength, and to forget it.

In other sessions, NBC-TV had much good news for affiliates. A color slide-film presentation, "Story of a Network," advised stations that "since July 1, \$33 million in new & renewal daytime business has been signed," that 17 new shows are now "in development for the 1961-62 season" (although none was named), that NBC has "78% more" color programming than last year, and that the average lineup ordered has jumped "from 153 to 177 stations." Exec. vp Walter Scott added NBC-TV now leads in "total weekly sponsored hours" in Oct.-Nov. reports.

On the radio side, in contrast to last year's affiliate meeting in which Chmn. Sarnoff was obliged to quiet rumors by stating that NBC had no intention of deserting radio, William K. McDaniel, radio network vp, told the 188 affiliates that NBC radio now has "close to half of all the commercial time booked on network radio" and "over half" of the ad revenue.

## Network Television Billings

September 1960 and January-September 1960  
For Aug. report, see TELEVISION DIGEST, Vol. 16:43 p13

**Jan.-Sept. Up 9.6%:** Network TV's gross time billings in 1960's first 3 quarters closed out 9.3% ahead of a year ago. Despite slight sags by both NBC & CBS, the year-to-date gain was aided by a 6.2% increase in September over September-1959 business. Tvb reports that billings in 1960's first 9 months rose to \$494.4 million from \$451.3 million in Jan.-Sept. 1959. September billings increased to \$51.5 million from \$48.4 million in the year-ago month.

CBS continued to run ahead of the other networks in dollar volume, both in September (\$21.1 million) & year-to-date (\$204.4 million). ABC continued to register the largest percentage gains: 36.1% for Sept. 1960 over Sept. 1959, 29.9% for Jan.-Sept. 1960 over Jan.-Sept. 1959.

The 9-month nighttime billings of the 3 networks increased 14.3% to \$346,759,960 from \$303,462,753 in Jan.-Sept. 1959. Daytime billings slipped 0.1% to \$147,636,680 from \$147,820,975. In September vs. September 1959, nighttime billings gained 6.9% to \$35,348,928 from \$33,062,192; daytime increased 4.7% to \$16,108,436 from \$15,384,651.

### NETWORK TELEVISION

	Sept. 1960	Sept. 1959	% change	Jan.-Sept. 1960	Jan.-Sept. 1959	% change
ABC	\$11,875,080	\$8,724,938	+36.1	\$112,721,410	\$86,744,444	+29.9
CBS	21,114,008	21,196,220	-0.4	204,356,596	195,350,810	+4.6
NBC	18,468,276	18,525,685	-0.3	177,318,634	169,188,474	+4.8
Total	\$51,457,364	\$48,446,843	+6.2	\$494,396,640	\$451,283,728	+9.6

### 1960 NETWORK TELEVISION TOTALS BY MONTHS

	ABC	CBS	NBC	Total
January	\$13,260,010	\$23,477,358	\$20,980,897	\$57,718,265
February	12,677,110	22,977,171	19,923,712	55,577,993
March	13,487,460	24,043,799	21,072,164	58,603,423
April	12,701,240	22,580,032	20,642,038	55,923,310
May	12,876,050	23,209,917	19,414,264	55,500,231
June	11,948,700	22,062,832	18,959,323	52,970,855
July	12,529,660	23,442,997	19,805,457	55,778,114
August	11,366,100	21,448,482	18,052,503	50,867,085
September	11,875,080	21,114,008	18,568,276	51,457,364

Note: Figures revised as of Nov. 10, 1960. 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 rates or before frequency or cash discounts.

## NETWORK SALES ACTIVITY

### ABC-TV

Daytime Programming, Mon.-Fri., part. eff. Jan.

Beltone Hearing Aid (Olian & Bronner)  
Lehn & Fink Products (Geyer, Morey, Madden & Ballard)  
General Nutrition (Fairfax)

### CBS-TV

Sun. Sports Spectacular, Sun. 2:30-4 p.m., part. eff. Jan. 8.  
Bristol-Myers (DCS&S)

Father Knows Best, Tues. 8-8:30 p.m., part. eff. Jan. 31.  
Kayser-Roth (Daniel & Charles)

### NBC-TV

The Bobby Darin Show, Tues. Jan. 31, 9-10 p.m., one-time special, full sponsorship.  
Revlon (Grey)

Happy Talk, Tues. Dec. 6, 10-11 p.m., one-time special.  
Lever Bros. (SSC&B)  
Lanvin (North)

## Auxiliary Services

**PEACE HOPES FOR STATIONS & CATV:** An end to the feuding between small-market stations and CATV may be in sight. FCC Chmn. Ford indicated as much in a speech before NAB's fall conference in Washington last week when he said: "The problem may be solved already." What he was referring to was the recent "washing out" of CATV-station disputes over microwave grants.

Hearings had been scheduled on station protests in several cases, but the following have been cleared up by agreements among disputants: Laredo, Tex.; Tallahassee, Fla.; Yuma, Ariz.; Butte, Mont.; Helena, Mont.; Vero Beach, Fla. Still pending are prospective hearings involving Thermopolis, Wyo.; Tyler, Tex. and Athol, Mass. There's a good chance most of these will be cleared up, too.

Agreements have been reached via several routes. In some cases, CATVs bought out or merged with stations. In some, CATVs agreed not to duplicate programs carried locally. In others, "gentlemen's agreements" have been reached between parties to accommodate each other.

Ford told NAB's meeting he sees no reason to ask for authority to license all CATVs just to get at a few trouble areas. The Commission does need legislation, however, he said, to handle isolated problem situations. He said he'll spell out his ideas "in a few weeks."

NCTA is pleased, naturally, to see CATV-station agreements—for these are the industry's best assurances that the heat will be off for restrictive legislation.

British Telemeter offshoot has been formed, with Paramount Pictures—parent firm of International Telemeter—retaining a "minority" interest. British Telemeter Home Viewing Ltd.'s authorized capitalization is about \$2,750,000, of which more than 10% has been taken up by British interests. Subscribers (who may pick up the balance of their subscription when required) include: British Lion Films, the *Financial Times*, Granada Group Ltd. (also a program contractor for British commercial TV), *The Manchester Guardian*, Schlesinger Investments Ltd., and N. M. Rothschild & Sons. R. A. Allan, Member of Parliament & an executive of the *Financial Times* group, has been named temporary chmn. No target date for a test operation in Britain was announced by Telemeter, which is currently testing its system in Toronto (Vol. 16:45 p2).

A vhf booster in a town served by a uhf translator was authorized by FCC last week—but the Commission warned that the grant was temporary because its policy is to prohibit vhf units in areas served by uhf translators. Claremont TV Inc., Claremont, N.H., was given permission to continue operating a repeater which rebroadcasts WMUR-TV (Ch. 9) Manchester. WWLP Springfield, Mass. operates uhf W74AC in Claremont; FCC turned down WWLP's petition to designate the vhf application for hearing.

## Educational Television

Continuance of ETV in Hagerstown, Md. by tax-financing has been urged by the Washington County Board of Education in a letter to the county commissioners. The commissioners are polling teachers & parents on whether they want the closed-circuit system retained (Vol. 16:46 p14). The school board said abandonment of the system wouldn't save money after Ford Foundation grants run out. More teachers would have to be hired, the board argued.

## Advertising

**SHELL'S FAREWELL TO 15%:** Many an ad agency (and many a client, too) has long wanted to abandon the time-honored 15% media commission system of agency payment in favor of a straight fee basis. At the annual meeting of the Assn. of National Advertisers in Hot Springs, Va. last week, Ogilvy, Benson & Mather agency and Shell Oil Co. publicly took the plunge.

In future, OBM will function as Shell's ad agency for a fee covering Shell's ad costs plus a 25% profit factor. Shell ad mgr. Cyril Martineau and OBM Pres. David Ogilvy, who had cannily picked for their announcement a moment when most of the nation's top admen were under one hotel roof, quickly became the sensation of the ANA meeting. Agencies have worked for clients on a fee basis before (several agencies provide PR service for clients in this way), but the Shell-OBM deal is the first big (\$11 million annually) no-commission deal on a general consumer account.

Why the switch from the traditional 15% system? Explained Martineau: "We had come to regard it as downright unethical. We think it unfair & unrealistic to expect any agency to be absolutely impartial when its vested interest lies wholly in the direction of increasing the client's commissionable advertising." Stated Ogilvy: "I am not afraid of a price war. A period of competitive pricing would strengthen the good agencies and put the poor ones out of business." (Agency reaction to the move meanwhile was summed up as "cautious.")

In other ANA sessions: Phillip H. Cohen, TV-radio dir. of SSC&B, told admen concerned about the rising costs of TV commercials (see story on AFTRA-SAG dispute, p. 6) that pre-planning was the secret to cost-saving, and that 7-to-8 weeks for straight film & 9-to-10 weeks for animated commercials prior to shooting was a good rule of thumb. Edward G. Herbie, ad vp of Heublein Inc., and Fuller & Smith & Ross Pres. Robert E. Allen described in detail the workings of the joint ANA-4A committee for improved advertising content. P. W. Allport was named ANA pres. to succeed the late Paul B. West, and Westinghouse Electric Corp. ad dir. Roger H. Bolin and U.S. Steel ad dir. John Veckly were named chmn. and vice-chmn.

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Add FTC speculation: Paul Rand Dixon, who heads the 39-member staff of the Senate Judiciary Anti-Trust & Monopoly Subcommittee, may be in line for appointment as FTC chmn. in the Kennedy administration. His name as a successor to Republican Chmn. Earl W. Kintner (Vol. 16:46 p1) is being mentioned in speculation in FTC offices and on Capitol Hill. Dixon himself says he'd be "complimented" to get the job. He worked as an FTC attorney for years before going on the Hill, where he took over as chief counsel & staff dir. of the Subcommittee headed by Sen. Kefauver (D-Tenn.). The Subcommittee won top headlines this year with investigations of prices charged for drugs by leading pharmaceutical firms. Staffers have confirmed that they're now looking into reports that fight promoters give payola to newspaper sports writers (Vol. 16:46 p12).

**Ad People:** Denny Sargent, ex-Young & Rubicam, named McCann-Erickson vp . . . Andrew F. H. Armstrong, ex-Leo Burnett, named Compton vp-creative dir.; Marion Forster, Rupert Witalis, James Sage also named Compton vps. . . G. Alden Donham named a Cunningham & Walsh vp.

**TvB's Dept. Store Success:** TV can get big results for department stores. TvB members, gathered for their 6th annual meeting at N.Y.'s Waldorf-Astoria, heard evidence of that last week from Dwight Shirey, pres. of Patterson Fletcher. The Ft. Wayne, Ind., specialty store had rolled up an impressive success story of retailer use of TV advertising, in cooperation with TvB and WANE-TV, the city's Corinthian Bestg. Co. TV station.

Shirey praised TV's flexibility which allows advertisers "to key items to a select audience on the basis of the time of day." He urged a lower local rate for retailers "if television is to become a part of many stores' ad budgets."

Shirey stated that the project had been planned by weekly meetings of station executives and the store's merchandising display staffs. Operated as a "saturation" campaign of 60-sec. announcements and some IDs, plus a Tuesday night local newscast, the campaign proved a resounding success, Shirey reported, in terms of "successful item promotions, improved store promotional planning, prestige."

Some typical results: \$5,003 sales vol. on summer suits this June vs. last June's \$2,937 for a 70% sales increase. TV was the only added promotion. "Box Sale" on men's apparel—22% ahead of that dept.'s sales last year. Ten-day pre-Easter campaign for Lee hats—112% sales increase over last year.

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Advertising's real sin is its failure to "spark discontent enough to lead people to action," said TvB Pres. Norman E. Cash and vp George G. Huntington in a new Cellomatic presentation, "The Progress of Discontent." Main theme of the presentation: The advertiser has a "responsibility" to spread the spark of discontent which leads others to see "a better way through finer things for a fuller way of life." Cash and Huntington asserted that "waste-maker" critics of the Vance Packard school misunderstand the real issue when they charge that advertising "forces people to buy things." In fact, they said, consumers should "criticize advertising for not sparking our discontent with outmoded, inefficient, obsolete products."

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Editorializing by a TV station is "good business as well as needed public service," claimed Terry H. Lee, vp & managing dir. of WAGA-TV Atlanta, in another TvB session. The station, which has been editorializing since last May, follows a 15-point series of rules which include legal clearance prior to broadcast, equal opportunity for expression of opposing views, and no political-candidate editorials, Lee stated.

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A cooperative station-agency program to resolve several spot-TV billing problems was urged by Thomas A. Wright Jr., Leo Burnett media vp. Wright noted 4 major problem areas: "(1) Long-delayed billings, (2) negotiating credit refunds or make-goods, (3) correcting invoices improperly prepared and (4) properly identifying billing by brand." His 3 proposals for solution: (1) Communication between the proper parties, (2) agency notification of a schedule discrepancy within 24 hours with a definite offer by the station, (3) agency identification of individual brands rather than parent-company titles.

### U.S. Station Rate Increases

Station	Base Hour	Minute	Date
WFBC-TV Altoona, Pa. . .	\$900 to \$1000	\$200 to \$220	Nov. 1
WJRT Flint, Mich. ....	800 to 950	150 to 200	Nov. 1
WALA-TV Mobile, Ala. ..	500 (no change)	110 to 120	Oct. 1
KSWO-TV Lawton, Okla.	280 to 350	80 to 90	Nov. 1

**Don Durgin's Crystal Ball:** There'll be no widespread adoption by U.S. networks of the British-style magazine-concept divorce of advertisers from program control. Public TV tastes won't change radically during the next decade. Widespread pay TV won't really alter viewing habits because it lacks "an obligation of public service that transcends the responsibility of the box office." These were among the personal predictions voiced by NBC-TV sales vp Don Durgin in a crystal-gazing address before the opening RTES time buying & selling seminar in N.Y. Nov. 15. Other Durgincasts of network things to come in the 1960's:

**Programs:** There'll be "fewer formula shows, more informational programs" although the formula shows will remain "the dominant form" because of audience acceptance and the demanding deadlines of TV programming. Shows classified as specials will be "more & more special," with heavy emphasis on "the idea rather than the stars or production budgets."

**Scheduling:** The immediate trend will be toward more 60-min., fewer 30-min., as standard fare because creative people like the longer format and networks find it useful to "get a head-start on entrenched competition." Also, advertisers will continue their trend of buying segments of 60-min. shows because they prefer "to buy from a network as a 3rd party." There'll also be more radio-style scheduling of "comedy blocks or mystery blocks or variety blocks" of TV network shows, because research indicates that programs in such blocks help each other's rating levels.

**Sales patterns:** Standard TV deals (thirds, half-hours) will continue as the basic sales pattern, although in specials "there may be some unusual lengths to the programs." There won't be a return to 90-min. network shows ("too costly to mount") and there's no trend developing toward 45-min. shows. Rate cards are likely to be simplified until networks work mainly with "simplified rate cards showing minute costs with a graduated scale . . . like the 260-time spot rate cards." Product protection for advertisers "will become narrower & narrower," and will "very soon become 10-min. protection," under the pressure of advertisers using multi-sponsored 60-min. shows.

**Research:** Audience measurement "will score a breakthrough in the '60s" to provide admen with much more qualitative data on TV audiences, more special marketing studies, research on 2-set & 3-set homes, better audience-composition data because "we have too few answers today to too many questions."

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TV tops newspapers in fair & impartial political coverage, most viewers & readers agreed in a 1,700-sample poll conducted in April by 2 Ohio State U. Ph. D. candidates. Robert P. Lacy & John H. Pennybacker reported that 71% of men & 74% of women questioned in the survey said TV's news handling of the campaign could be trusted as objective. Only 27% of the men & 38% of the women gave a similar vote of confidence to newspapers in Ohio's bigger cities. Other findings reported by Lacy & Pennybacker as representing majority opinion of TV viewers: (1) They'd be unwilling to shell out even \$5-to-\$10 annually for pay-TV programs. (2) They think at least some TV commercials are rigged visually—and that slick magazines go in for advertising fakery, too. (3) They don't object to advertising on TV, but are annoyed by multiple commercials which interrupt shows, particularly when the commercials are hard-sell types. (4) They'd be more influenced by TV editorials than print editorials, but don't think broadcasters should express opinions on public issues on the air.

**6% AD GAIN PREDICTED FOR 1960:** The national ad volume will climb to a high of \$11,755,000,000 in 1960 —6% above 1959's record \$11,090,000,000, forecasts Nov. 19 *Printers' Ink*. The prediction, based on first-half ad activity, is a come-down from the \$11.9-billion previously forecast by *PI*, which explained: "Activity in the 2nd quarter did not keep pace with the record volume in the early months of 1960."

TV (national & spot) leads all major media in anticipated dollar volume. Its projected 1960 ad volume of \$1.320 billion is 7% ahead of the \$1.228 billion posted in 1959. Radio (network & spot) is expected to better its 1959 performance by 1%—to \$255 million from \$251.3 million. The estimate of 1960 ad volume (based on 6-month data):

	Expected 1960 Total Ad Volume (\$ millions)	1959 Final Estimate (\$ millions)	% Change 1960 vs. 1959
NEWSPAPERS (national) .....	\$ 860.0	\$ 826.2	+ 4%
MAGAZINES .....	935.0	866.2	+ 8
TELEVISION (network and spot) .....	1,320.0	1,228.1	+ 7
RADIO (network and spot) .....	255.0	251.3	+ 1
BUSINESS PAPERS .....	610.0	569.3	+ 7
OUTDOOR (national) .....	140.0	130.4	+ 7
OTHER INVESTMENTS BY			
NATIONAL ADVERTISERS ...	2,980.0	2,842.0	+ 5
EST. TOTAL INVESTMENTS BY			
NATIONAL ADVERTISERS ...	7,100.0	6,713.5	+ 6
EST. TOTAL INVESTMENTS BY			
LOCAL ADVERTISERS .....	4,655.0	4,403.8	+ 6
GRAND TOTAL .....	\$11,755.0	\$11,117.3	+ 6

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Nielsen's first European TV audience measurements will be in Germany. With its British partner, Attwood Group of London (with which Nielsen is affiliated in a rating company called TAM), Nielsen has signed a joint deal with Munich's Infratest Co., an independent research firm. They will establish a Nielsen-type measurement of German TV in early 1961 through a new joint concern, Infratam GmbH. As with many U.S.-European financial deals, it's nicely complicated; two-thirds of Infratest will be held by Attwood and Nielsen who will invest in a new continental holding concern, Eurobar NV, now being formed in Holland. Chief reason for the expansion, Nielsen officials told us in N.Y., is "the early likelihood of additional commercial TV channels in Germany, and the growing interest of European advertisers in U.S.-style audience research."

Film on clichés in TV commercials has turned out to be the liveliest hit in the program of NAB's fall conferences (see pp. 4 & 11). Shown by the Code staff as a feature of second-day TV sessions, the 17-min. film was produced for the entertainment & instruction of advertising agencies by MPO Productions Inc., N.Y. It runs the gamut of exaggerated TV demonstrations for products, ranging from beer & headache remedies to hair-wave preparations & soap. Title: "The Cliché Family in TV Land."

Charlie Chan operates again in a new Lennen & Newell TV commercial series for Cluett, Peabody. The deal represents the first use of the Earl Derr Biggers character in non-story form. Roland Winters, who portrayed Chan in feature films, plays the Oriental detective in the first 60-sec. film spot, "The Case of the Golden Arrow Shirt," used Nov. 14 on *Surfside Six* (ABC-TV, 8:30-9:30 p.m.).

Hertz will spend \$7.5 million on its 1961 national ad campaign with approximately \$2 million going to "an expanded 52-week, regional TV spot campaign in key markets." Hertz System Pres. Walter L. Jacobs said last week that the new budget represents an all-time high in the car-rental industry, a 3,000% increase for Hertz since 1947.

## Stations

**McCOLLOUGH URGES 'OFFENSIVE':** Political performances by TV & radio in the 1960 election campaign have brought broadcasters to "the threshhold of freedom" from equal-time restrictions under the Communications Act's Sec. 315, NAB Policy Committee Chmn. Clair R. McCollough said last week.

"We are now in a position to take the offensive rather than—as has been the frustrating experience so frequently in the past—being on the defensive," he told the 6th of NAB's 8 fall conferences in Washington—where FCC Chmn. Ford was another headlined speaker (see p. 4).

McCollough said that the behavior by broadcasters following suspension of equal-time rules for Presidential tickets had earned TV & radio the "right to pursue the idea of eliminating all of the restrictions contained in the remaining language of Sec. 315."

Referring obliquely to what he termed harassments of stations by the Senate Commerce Freedom of Communications Subcommittee, headed by Sen. Yarborough (D-Tex.) (Vol. 16:45 p3), McCollough acknowledged that "all of the returns are not yet in." But he said he'd heard of no "widely noted incidents of bias or prejudice."

His call to broadcasters to take the offensive in their campaigns for freedom on the air was echoed by NAB Industry Affairs vp Howard H. Bell in a "Broadcasters & Politics" session of the Washington conference. Bell said the industry may have to fight in the 87th Congress to defend its right to editorialize.

### **Chicago & New York To Go**

Merrill Lindsay (radio WSOY Decatur, Ill.) represents the 3-man NAB Policy Committee as the first-day luncheon keynoter at the 7th fall conference Nov. 21-22 in Chicago's Edgewater Beach Hotel. McCollough will be featured again at the windup N.Y. conference Nov. 28-29.

Meanwhile, majority counsel Creekmore Fath of the Senate's equal-time "watchdog" subcommittee flew to Texas for post-election conferences last week with Chmn. Yarborough on what to do with hundreds of reports from stations on Sec. 315 complaints piled up in his office.

"We have some incidents that I am recommending to the subcommittee for further study," Fath told us from Austin, but he said no decision had been reached at the end of the week on whether public hearings should be held in Washington before the "watchdog" unit files its Jan. report.

Fath carried some station-report files with him to Austin for his conferences with Yarborough, but said many more had accumulated in Washington in his absence, and that he'd be busy there this week wading through them.

One thing he wanted to find out, Fath said, was whether Market Maker Stations, operated by the North Dakota Bestg. Co., had responded adequately to his demands for scripts & full reports on a pre-election documentary & interview show. At one point in telegraphic exchanges with Pres. John W. Boler of the station group (KXJB-TV Valley City, KBMB-TV Bismarck, KXAB-TV Aberdeen, KXGO-TV Fargo, KXMC-TV Minot), Fath had threatened to slap a subpoena on Boler for the records.

Jack Harris, KPRC-TV Houston vp & gen. mgr., was unanimously re-elected chmn. of the NBC-TV affiliates board of delegates. Also re-elected were vice-chmn. Edwin K. Wheeler, gen. mgr. of WWJ-TV Detroit, and Robert Ferguson, exec. vp of WTRF Wheeling, W. Va. Louis Read, vp and gen. mgr. of WDSU-TV New Orleans, was re-elected secy.-treas.

**NEW & UPCOMING STATIONS:** A unique border situation turns up this week in reports on the 2 U.S. stations and single Canadian outlet going on the air. The Winnipeg, Man. area which has been getting service from CBC's CBWT (Ch. 3) and French-language CBWFT (Ch. 6) now has 2 more outlets—CJAY-TV (Ch. 7), which began Nov. 12, and KCND-TV (Ch. 12) Pembina, N.D. which began its regular ABC-TV program schedule Nov. 15 after being on temporarily Nov. 8 to carry election returns.

KCND-TV is in NE corner of the state, about 40 mi. S of Winnipeg and maintains an office in the Dayton Bldg., Winnipeg. It picks up network from KNOX-TV (Ch. 10) Grand Forks, N.D.

Other U.S. starter is KVOG-TV (Ch. 9) Ogden-Salt Lake City, Utah, which will begin as independent Nov. 23.

The U.S. operating total will thus change to 578 (91 uhf) outlets. The Canadian on-air total is now 76 stations.

KCND-TV has a 2-kw RCA transmitter and a 1350-ft. stainless tower with traveling wave antenna 7 mi. W of city. Owners (each with 25% stock interest) are Community Radio Corp. (which controls KNOX-TV & KNOX Grand Forks), Harry Rice (pres. of Community Radio), Robert Lukkason (secy.-treas. of Community), Arthur Tweet (chmn. of Community). Lukkason also is gen. & sales mgr. of KCND-TV; Charles K. Bundlie, ex-KNOX-TV, operations dir.; Gene Higdem, ex-KNOX-TV, production dir.; Clifford Thomforde, technical dir. Base hour is \$400. Reps are Meeker, Wayne-Evans (Minn.), Pembina TV Sales (Winnipeg, Man.), Representatives Ltd. (Canada except Winnipeg).

KVOG-TV has a 5-kw Gates transmitter and 400-ft. Utility tower with a 6-bay RCA antenna at Little Mt. site. Principal owners are United Bestg. Co. with 53.29% and Granite District Radio Bestg. Co., 33.3%. United Bestg. is licensee of radio KVOG. Granite District operates KTLE (Ch. 6) Pocatello, Ida. and radios KNAK Salt Lake City & KBLI Blackfoot, Ida. Arch G. Webb, who votes United Bestg. stock, is pres. & gen. mgr.; David B. Affleck, ex-KVOG, sales mgr. & program dir.; Dennis O. Nielsen, also KVOG, chief engineer. Base hour: \$325. Rep: Grant Webb.

CJAY-TV has a 25-kw RCA transmitter and 1000-ft. Dominion Bridge tower on Hwy. 76, 16 mi. S of city. Studios are at Polo Park Shopping Center, Winnipeg. Officers & stockholders are Ralph S. Misener, pres.; Lloyd E. Moffat, owner of Winnipeg radio CKY, vp; T. O. Peterson, ex-owner of radio CFOB Fort Frances, Ont., treas.; Campbell Haig, secy. In addition to the officers, Roland G. Couture, from radio CKSB St. Boniface, Man. and W. E. Kroeker, from radio CFAM Altona, Man. are on the board of directors. Jack M. Davidson, ex-CKY, is gen. mgr.; Jerry Johnson, ex-CKBI-TV Prince Albert, gen. sales mgr.; Stewart MacPherson, ex-Winnipeg Enterprises (sports), program dir.; Barry G. Nichols, ex-CHCH-TV Hamilton, public-service dir.; A. G. Cobb, ex-CKWS-TV Kingston, technical operations dir. Base hour is \$500. Reps are Weed and Stovin-Byles Ltd.

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

WIPM-TV (Ch. 3) Mayaguez, P.R. has changed target to January for operation as a P.R. Dept. of Education non-commercial outlet, a companion to its WIPR-TV (Ch. 6, educational) San Juan. An RCA 6-kw transmitter has been installed, but the antenna won't be installed on the 202-ft. Ideco tower until December.

Portsmouth, Va. (Ch. 27) grantee Christian Bestg. Network, planning a non-commercial operation, hopes to be on the air "in another couple of months," writes M. G. Rovertson, pres. It is requesting WTFC-TV call letters. It also is buying the plant of off-air WTOV-TV (Ch. 27) at 1318 Spratley St., which has RCA equipment.

KFOY-TV (Ch. 9) Hot Springs, Ark. has a 500-watt Gates transmitter on hand and has installed a 6-bay RCA antenna on a 310-ft. Truscon tower, says acting mgr. John Whitt, who is also sales mgr. of KFSA-TV Fort Smith, Ark. The studio-transmitter building is nearly ready, but a programming target hasn't been reported. The owner is newspaper publisher Donald W. Reynolds, who also operates KFSA-TV & KFSA Fort Smith, KLRJ-TV & KORK Las Vegas, KOLO-TV & KOLO Reno and KGNS-TV Laredo, Tex. Network affiliation hasn't been signed and base hourly rate hasn't been set. Rep will be Headley-Reed.

Poplar Bluff, Mo. (Ch. 15), granted to Turner-Farrar Assn., has equipment on hand, but hasn't set a target, reports O. L. Turner, mgr. of WSIL-TV Harrisburg, Ill., which is also owned by Turner-Farrar. (Editor's note: Equipment on hand is probably RCA uhf gear left over when WSIL-TV switched from Ch. 22 to Ch. 3 in March 1959.) It will use a 500-ft. tower. Rep will be Meeker.

CJCH-TV (Ch. 5) Halifax, N.S. has a 5-kw Canadian GE transmitter scheduled for shipment Nov. 21 and is retaining Jan. 1 as target date for programming, according to A. D. Grayston, promotion mgr. for radio CJCH. The roof is on both transmitter house & studio building, but work on the 600-ft. Wind Turbine tower hasn't started as yet. A small tower is ready, and may be used for the GE antenna, which is due to arrive by the end of November. Don G. Hildebrand, ex-CKNX-TV Wingham, Ont., is asst. gen. mgr. and Don Bloig, ex-CBHT Halifax, supervisor of operations. Base hour will be \$300. Reps will be Young, Paul Mulvihill (Montreal & Toronto), A. J. Messner (Winnipeg) and Scharf Best. Sales (Vancouver).

CFXU-TV (Ch. 9) Antigonish, N.S. has a 5-kw RCA transmitter scheduled for Dec. delivery and plans to start programming next spring, writes Brian O'Connell, acting secy. for licensee Atlantic TV Co. Ltd. The foundation for the transmitter house has been completed, the studio building is still in the planning stage. Anchors are being installed for a 420-ft. Microtower. Charles O'Brien, from Antigonish radio CJFX, will be mgr. No sales rep yet.

Canadian TV applications to be considered by BBG in hearings beginning Nov. 29 include 9 for satellites (4 to repeat U.S. stations), 1 for regular outlet (Northwestern Bestg. Co. Ltd. for Ch. 3 North Battleford, Sask.), and 4 for power boosts. Satellite applications: H. Blakeborough for Ch. 5 Keremeos, B.C. to repeat CHBC-TV Kelowna, B.C.; Horace M. Card for Ch. 4 Nakusp, B.C. to repeat KXLY-TV Spokane from Saddle Mt. transmitter; Mt. Sentinel TV Co-operative for Ch. 5 Crescent Valley area, B.C. to repeat KXLY-TV Spokane from Mount Sentinel; CHCA-TV Ltd. for Ch. 10 Banff, Alta. and Ch. 10 Coronation, Alta. to repeat CHCA-TV Red Deer; Sioux Lookout Chamber of Commerce for Ch. 9 & 7 Sioux Lookout, Ont. to repeat WDSM-TV & KDAL-TV Duluth; CBC for French-language Ch. 11 Mont Tremblant, P. Q. to repeat CBFT Montreal and also Ch. 3 Mont Laurier, P. Q. to repeat Ch. 11 Mont Tremblant. Power boost requests: CHCA-TV Red Deer for boost to 13.2 kw using directional antenna; CFPL-TV London for change to 1075-ft. antenna; CKMI-TV & CFCM-TV Quebec City for boosts to 13.85 kw & 100 kw.

**Sarnoff At BPA:** Streamlined political conventions, and a shortening of the pre-election campaign "by at least 6 weeks," were proposed by NBC Chmn. Robert W. Sarnoff Nov. 14 in New Orleans. Speaking to the Broadcast Promotion Assn., he noted that "it will be harder to bring together the 2 major Presidential candidates for 'The Great Debate' in 1964 than it was in 1960. One of them will be in the White House," and it's doubtful that he will be sympathetic to furnishing nationwide exposure to his challenger.

"In view of the widely recognized desirability of making 'The Great Debate' a regular feature of American political life," Sarnoff continued, "I wired the 2 candidates on Oct. 11 appealing to each for his personal assurance that if he is again a candidate in 1964 he will take part in a series of these encounters with his opponent. Whatever the reason, neither candidate replied to this request."

\* \* \*

Other events at the conference: TvB sales promotion & presentation dir. Edward H. Armsby forecast that advertisers will spend \$22 billion in 1970, or \$110 per person vs. \$61 in 1960. • Increases in color-TV sales, promotion and programming were detailed by RCA color TV coordination dir. William E. Boss & Crosley Bestg. TV vp John T. Murphy. • Hooper Pres. Frank Stisser, Nielsen vp John Churchill and ARB station-relations mgr. Roger Cooper teamed up for a panel on the use of audience surveys in broadcast promotion. • New BPA officers elected: president, John Hurlburt, WFBM-TV & WFBM Indianapolis; first vp, Don Curran, KTVI St. Louis; 2nd vp, Harvey Clarke, radio CFPL London, Ont.

Schwartz Bros. Inc., Washington wholesale record firm which challenged FTC payola charges against it at an unusual public hearing in August (Vol. 16:34 p7), has agreed to a consent order settling the case. Charged with making concealed payments to TV & radio disc jockeys, other station employes and stations themselves, Schwartz didn't admit it had violated any law. But the company & 4 officials—Harry, James, Bertram H. and Stuart D. Schwartz—signed the order forbidding any payola to anybody as an inducement to broadcast Schwartz-distributed records. Also settled by an FTC consent order was a similar case against N.Y.'s Fame Records Inc.

Syndicate that is buying CJSS-TV (Ch. 8) and CJSS Cornwall, Ont. includes Canadian Marconi (owner of upcoming CFCF-TV Montreal), Bushnell Bestg. (part-owner of upcoming CJOH-TV Ottawa & CHOV-TV Pembroke), Granada Television Ltd. (London, England) and Beaver Products Ltd. (Montreal). Transfer of the properties from Stanley R. Shenkman's Cornwall Bestg. Ltd. requires approval by the Board of Broadcast Governors.

Unfair labor practices were committed by management of John E. Fetzer's WWTV Cadillac, Mich. in incidents involving employes who were NABET members, NLRB ruled in a decision & order against the station. Fetzer Television Inc. was instructed to "cease & desist" from discriminating against union members and threatening to dismiss employes who join NABET. WWTV maintenance man Gordon Stone must be reinstated to camera work from which he had been demoted, NLRB said. Some specific complaints by NABET against the station were dismissed, however.

Sale of WBIR-TV & WBIR Knoxville by Taft Bestg. Co. to the owners of WFBC-TV Greenville, S.C. for \$3.2 million (Vol. 16:39 p11) has been approved by FCC.

## Film & Tape

**How Majors Are Faring in TV:** Hollywood's major movie studios, the late starters in TV film, are having considerable trouble with their new entries this season. Not one can be considered a real success, from either an audience rating or critical viewpoint. Last year was a difficult one for the majors, and this one seems to be shaping up similarly (Vol. 15:42 p15).

Warner Bros., which has been the majors' volume leader until this year (when Columbia subsidiary Screen Gems took the lead), has failed to chalk up important success with its (private eye) *Surfside 6*, or (action) *The Roaring 20's*. Even *Maverick*, on which a lot of Warners' success was built, seems to be slipping since James Garner left the cast.

Screen Gems came up with a sleeper in *Dennis the Menace* last season. But this season its *Dan Raven* was one of the first shows to be axed. And its *My Sister Eileen*, *Route 66* and *Naked City* are hardly blockbusters.

MGM-TV, which had no series last season, came up with 2 this year—the 60-min. *The Islanders* and *National Velvet*. Neither has added lustre to the medium, and *The Islanders* has undergone numerous changes.

As for 20th Century-Fox TV, its new, high-budgeted, 60-min. *Hong Kong* is languishing in the ratings opposite powerful *Wagon Train*.

Paramount, which had no series last season, fielded *Mr. Garlund* this year, but there is already much talk that it may be an early casualty.

All in all, it is shaping up as a dismal season for the majors, haunted by their perennial problem—lack of satisfactory, creative manpower at the top.

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**Maverick Still Straying:** Warner Bros.-James Garner negotiations collapsed last week, and their litigation will begin in Los Angeles Superior Court this week (Nov. 25), barring a last-minute settlement (Vol. 16:46 p9).

When WB invoked the *force majeure* provision of the *Maverick* star's contract last March 3—on grounds that the writers' strike had halted production—Garner protested & left the studio, contending that he was a free agent because of breach-of-contract. He sued on those grounds, and WB counter-sued.

We understand that both parties had reached agreement except for one point—another series for Garner, to follow *Maverick*. To this the star would not agree, being more interested in movies. Before this hitch developed, WB had agreed to give Garner a non-exclusive deal which would have allowed him a substantial raise, script approval, other benefits, and the right to star in movies for other studios. Garner has received offers for movies, Broadway plays, and bids for specials from CBS-TV and NBC-TV.

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Western actors are finding it a bad year. At mid-season, there have already been 2 deaths and several injuries. Ward Bond, star of *Wagon Train*, died Nov. 5 of a heart attack (Vol. 16:46 p9), and Joe McCabe, 45, an extra, died of a heart attack while working in NBC-TV's *Bonanza* Nov. 3. James Arness, star of *Gunsmoke*, injured a leg while in production, and has just returned after being out for 2 weeks. Actor Bert Spencer lost a leg in an accident during production of Revue's *Laramie* earlier this month. He was pinned beneath the wheels of a stagecoach which overturned during a chase sequence. And Jack Kelly, star of Warner Bros.' *Maverick*, has returned to work after suffering a broken hand in a fall at his home.

## HOLLYWOOD ROUNDUP

QM Productions begins production on the pilot of 60-min. *The New Breed* Dec. 5 at the Goldwyn studios. Leslie Nielsen stars in the contemporary police show based on the work of the metropolitan squad of the Los Angeles Police Dept. Quinn Martin is producer. The pilot is being made for ABC-TV. The series is aimed "more at suspense than violence," Martin told us. He will also pilot an as yet untitled series dealing with 2 Americans serving in the famed Lafayette Escadrille in France during World War I. This ABC-TV pilot goes into production in January.

Goodson-Todman Productions plans 5 pilots for production, the first of which is the 60-min. *Las Vegas Beat*, being produced by Andrew Fenady. Another is *Medical Detective*, being produced with Howard Erskine and Larry Marks, and dealing with the U.S. Public Health Service. A third is *U.S. Secret Service*. The other pilots are still in the planning stages, we're informed by coast vp Harris Katleman. GT will begin production Dec. 6 at Desilu Cahuenga studios on *One Happy Family*, situation comedy to be seen on NBC-TV beginning in January. Goodson-Todman resumes production Jan. 2 on *The Rebel*.

New system for automatic & instantaneous synchronization of audio & video tapes has been developed by the Skelton & Luftig Labs div. of Skelton Studios in Hollywood. The system consists basically of a multiple-channel tape recorder which runs in lip-synchronization with the videotape machines. Both audio- & video-tape machines can be started from a dead stop and remain for any period in synchronization which is immediate & automatic.

Screen Gems will pilot *The Hathaways*, starring Peggy Cass & Jack Weston, with the Marquis chimps. Also on SG's pilot agenda: *Baron of Boston*, 60-min. adventure.

NT&T has formed National Realty, with Irving Espeen named head of the new div....RonCom Productions begins production this week at Desilu on 13 episodes of *Happy* (NBC-TV).

## NEW YORK ROUNDUP

Ziv-UA syndicated series are being sponsored by home-building advertisers in nearly 30 markets this year, representing more than \$500,000 in film sales. Regional home builders are "the newest industrial group" to join the growing ranks of syndication advertisers, Ziv-UA said.

Add syndication sales: Cal. National Productions' 2 Bob Hope feature films, "Road to Rio" and "My Favorite Brunette," have been sold in over 50 markets to date. Newest markets: Cleveland, Indianapolis, Kansas City, San Francisco, Seattle and Phoenix.

**Add Syndication Sales:** Ziv-UA's first-run *Case of the Dangerous Robin* has been sold in 181 markets to date. Also scoring new sales is a 4th-year cycle of *Sea Hunt* presently in 43 markets.

**Ed Sullivan** will be lampooned by the Academy of TV Arts and Sciences at their 3rd annual close-up dinner Jan. 13 at N.Y.'s Waldorf-Astoria. "The Roast of the Town" is the title of the spoof of the founder and first president of the N.Y. ATAS chapter.

## The FCC

**Landis Report Preview:** Members of the 15-member organizing committee for President Eisenhower's long-range Conference on Administrative Procedure are looking to President-elect Kennedy's advisor on regulatory agencies to give them some ideas this week.

Court of Appeals Judge E. Barrett Prettyman, chmn. of the White House Conference called to streamline agency processes (Vol. 16:44 p12), invited James M. Landis to sit in on an organizing meeting Nov. 22 in Washington as the specialist named by Kennedy to analyze agency faults (Vol. 16:46 p1).

Landis told Prettyman he'd be there if he could get away in time from Miami, where the New Deal FTC member and ex-SEC & CAB chmn. was attending the convention of the AFL-CIO Air Line Pilots Assn. as a candidate for pres. of the union. The ALPA election was scheduled for Nov. 21. Backed by a caucus of dissident ALPA members, Landis ran for the \$35,000 job with the claim that his lack of union experience was outweighed by his experience with govt. regulation of air transport.

Meanwhile, some clues to what Landis may tell Kennedy in his report on the agencies—due Dec. 15—could be found in remarks he made at the Washington convention of the American Bar Assn. in September, when he participated in panel discussion of the problems of FCC & other Commissions (Vol. 16:36 p7).

Landis said then that what the agencies need most of all is more "creative thinking" and that "creative leadership calls for some type of reorganization." Among other things Landis proposed was elimination of overlaps in agency functions, suggesting the possibility of creating an overall "Ministry of Transportation" to head up operations of CAB, ICC, etc.

Landis also said: (1) The role of the agencies "promises to grow rather than diminish." (2) The govt. lacks an "administrative system" to increase agency efficiency now. (3) Agency rules ought to be simplified. (4) Agencies are confronted with a "constant overhanging problem of inadequacy of personnel."

There was a trade report last week that Sen. Magnuson (D-Wash.), chmn. of Commerce Committee, is "sold" on the idea of reorganizing the FCC and establishing an "administrator" at its head, with the Commissioners acting as "an appellate board." Committee sources note that Magnuson has said he plans a study of all agencies within his group's purview but they're satisfied that he hasn't made up his mind on any new FCC setup.

"Territorial exclusivity" rules of FCC appear to be violated, the Commission said last week, by NBC's practices involving KHQ-TV Spokane, KLEW-TV Lewiston, Ida. and a uhf translator in Lewiston. In a letter to the first 3, the Commission asked for comments on this situation: KHQ-TV & KLEW-TV are NBC affiliates. The latter doesn't carry all NBC's programs. KHQ-TV has refused rebroadcast rights sought by the translator so that it could carry the programs KLEW-TV doesn't. The 3 are expected to tell the Commission that it's wrong in its understanding of NBC's practices & affiliation contracts. From a practical standpoint, it's noted, sponsors would simply quit ordering stations such as KLEW-TV if they could get coverage of a community without buying it.

Proposal to add Ch. 32 to Louisville has been dropped by FCC on the ground that there's no apparent need or demand for another uhf channel there.

FCC channel assignments, proposed in voluminous comments filed in "interim" allocation plan proceedings (Vol. 16:41 p1), have been analyzed by the Assn. of Maximum Service Telecasters (MST) in charts distributed to members by exec. dir. Lester W. Lindow. Pointing out that the charts were distilled from a 3,000-page 2-ft. high stack of papers filed by 150 parties, he said the summaries demonstrated "the scope & seriousness" of the proposals, urged all MST members to submit reply comments to FCC by the Nov. 28 deadline. The charts showed: (1) Co-channel shortages ranging from 20 to 90 miles and adjacent-channel shortages as great as 20 miles are proposed. (2) "At least 100 different existing stations are threatened by at least one short separation." (3) Some existing stations would be affected by 2 or more proposals. (4) "It is not unusual for a single proposal to involve short spacings from 2 or more existing stations."

Toledo Ch. 11 grant to WTOL (Community Bestg. Co.) in 1958 has been backed up by the Court of Appeals following a long contest with loser Great Lakes Bestg. Co. (Vol. 14:35 p9). Rejecting the Great Lakes appeal from FCC's award, the court said it found little merit in an argument that the Commission "failed to make a detailed comparison of the applicants' specific program proposals." It wasn't "unreasonable" for FCC to base its decision for WTOL on "applicants' over-all program balance & structure," the court said, adding that other contentions by Great Lakes "provide no basis for disturbing the Commission's action."

FCC's power to deny licenses to operator-applicants who refuse to answer questions about suspected Communist affiliations has been upheld in effect by the Supreme Court. Last week it rejected an appeal by Morton Borrow, an engineer at radio WPEN Philadelphia, from a Court of Appeals decision that his defiance of FCC's authority to ask such questions was proper grounds for refusal to renew his license (Vol. 16:27 p12). Borrow was a Philadelphia leader of the American Communications Assn., which was ousted by the CIO in 1950 on charges that the union was Communist-dominated.

Allocations rule-making has been started by FCC on the conflicting proposals of (1) Leon P. Gorman to shift Ch. 7 from Calais to Bangor, Me. for commercial use and (2) of the U. of Maine to reserve Ch. 10 Augusta, Ch. 7 Calais & Ch. 10 Presque Isle for ETV use.

Trusteeship operation of WHDH-TV (Ch. 5) Boston, pending final decision in the *ex parte* case, is being rejected by FCC. The Commission announced it had instructed its staff to draft a decision denying the petition requesting trusteeship that had been filed by Greater Boston TV Corp.

Deadline for reply comments in FCC's rule-making on short-spaced interim TV allocations has been extended from Nov. 28 to Dec. 30 at the request of AMST, AFCCE and several stations.

WBAP-TV Ft. Worth may now identify itself also with Dallas under a waiver granted by FCC. Comr. Bartley dissented because the station has no Dallas studios.

FCBA holds annual meeting at Statler-Hilton Hotel, Washington, Jan. 13, will vote on these prospective officers selected by its committee on nominations: pres., Robert M. Booth Jr.; first vp, Harold E. Mott; 2nd vp, Donald C. Beelar; secy., James E. Greeley; asst. secy., Warren E. Baker; treas., Frederick H. Walton Jr.; exec. committee, Reed Miller & J. Roger Wollenberg; delegate to ABA, Leonard H. Marks.

## Television Digest

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**Personals:** Glenn Marshall Jr., WJXT Jacksonville, elected TvB chmn.; Payson Hall, Meredith Bestg., succeeds Marshall as secy.; Gordon Gray, WKTV Utica, succeeds Hall as treas.; John Vrba, KTTV Los Angeles, Russel Woodward, Peters, Griffin, Woodward Inc. elected co-chairmen of TvB sales advisory committee . . . Harold Black named ad production mgr., CBS-TV stations div. . . . Mike Shapiro, station mgr. of WFAA-TV Dallas, named also gen. mgr. of bestg. properties, A. H. Belo Corp., parent of *Dallas Morning News* (WFAA-TV & WFAA). Shapiro replaces the late Alex Keese.

Hunt Stromberg Jr., Hollywood program development dir., CBS-TV, named a vp . . . Robert O. Runnerstrom, ex-vp of WMBD-TV & WMBD Peoria, named managing dir. of WBOY-TV & WBOY Clarksburg, W. Va. . . . Howard Finch named program mgr., KTRK-TV Houston, Tex., succeeding William T. Wagner, named program dir., WJZ-TV Baltimore . . . Malcolm M. Burleson, chief engineer, WTTG Washington, named Metropolitan Bestg. Corp. eng. dir.

George M. Perkins named network programs vp, CBS Radio . . . Steve Mills named production mgr., KABC-TV Los Angeles . . . Phil Isaacs, ex-Fruchtman Theatres, named to new post of U.S. & Canadian franchise operations dir., International Telemeter . . . George McElrath, ex-NBC TV-radio technical operations dir., named to new TelePrompTer post of engineering planning & product control mgr.

Robert Norvet named film-production-operations dir., CBS-TV, Hollywood . . . Pansy E. Wiltshire, chief of FCC Employment & Replacement Branch, Personnel Div., retires after 36 years in govt. . . . J. Merrill Pietila named Western div. mgr., Forjoe & Co.

Frank G. King, national sales mgr. of KTVU Oakland-San Francisco, elected vp; Stoddard P. Johnston, asst. secy. . . . Jack Duffield, merchandising mgr. of KTTV Los Angeles, named eastern sales & marketing mgr. of KTTV and parent Times-Mirror Bestg. Co., which open N.Y. office at 420 Madison Ave. Dec. 1 . . . Kenneth Morton, KOOL-TV & KOOL Phoenix vp, elected a dir. of the Bank of Phoenix . . . William Davidson, NBC vp and WNBC-TV & WNBC gen. mgr., elected a dir. and exec. committee member, National Conference of Christians & Jews . . . Mel Dellar named vp, MPO TV of Cal. (MPO Videotronics subsidiary); Tom Thomas appointed vp, MPO Sales & Training Programs Inc.; Frederick B. Foster named vp, MPO Inc., in charge of new Chicago office (134 S. LaSalle St.).

Best TV-publicity stunt of the season, by all indications, was the black-tie, invitation-only party tossed Nov. 10 by Jack Benny at the 45th St. automat in N.Y. to promote his Lipton-sponsored show on CBS-TV. Attended by a bumper crop of amused celebrities (Helen Hayes, Garry Moore, Polly Bergen, et al.) and working press, the party hit a publicity jackpot. AP and UPI syndicates carried pictures & stories about Benny tight-fistedly handing out \$2 in nickels to each guest. A string of syndicated columnists—Earl Wilson, Louella Parsons, Hy Gardner, Sheila Graham, among others—gave Benny a big play in print. At one point before the party, CBS, which had considered the automat idea “undignified,” wanted to have N.Y.’s “21” sneak in the food. But this was voted down.

Meetings this week: RTES timebuying & selling seminar (Nov. 22). Arthur Duram, Fuller & Smith & Ross TV-radio vp, and Rod Erickson, Filmways pres., will debate “Buying Audience Size or Show Type in Network TV.” Hotel Lexington, N.Y. • National Assn. of TV & Radio Farm Dirs. meeting (25-27), Conrad Hilton Hotel, Chicago.

Meetings next week: RTES timebuying & selling luncheon-seminar (Nov. 29), Hotel Lexington, N.Y. • 4A East Central region annual meeting (30), Statler Hilton Hotel, Detroit • Sigma Delta Chi national convention (30-Dec. 3), Biltmore Hotel, N.Y. • Ariz. Bcstrs. Assn. fall meeting (2). Norman E. Cash, TvB pres., and RAB Pres. Kevin B. Sweeney will speak, Mountain Shadows, Scottsdale, Ariz.

DuPont Awards deadline for nominations for 19th annual TV & radio prizes is Dec. 31. Top 1960 citations will go to a large & small station for “outstanding programming in the public interest” and to a commentator for “aggressive & consistently excellent & accurate gathering of news in the public interest.” Entries should be addressed to Curator, Alfred I. duPont Awards Foundation, Box 1158, Lexington, Va.

### Obituary

Clark Gable, 59, cinema star for almost 30 years, died Nov. 16 in Hollywood of a heart attack. One of the few movie actors who meant it when he said he would never do TV, he deeply resented what he called “butchering” of movies by stations, charging that those in which he had starred had been “mutilated” to make room for commercials. He was bitterly opposed to the major movie studios selling their backlog to TV, considering this a blow to the boxoffice. He was vehemently against pay TV, believing it could serve no purpose that free TV was not providing. Gable liked to watch sports on TV, from the World Series to the roller derby. He is survived by his wife.

H. Leslie Atlass, 66, radio pioneer and CBS executive who retired Jan. 1 as vp-gen. mgr. of the network's WBBM-TV Chicago, died Nov. 18 of a cardiac condition in Mount Sinai Hospital, Miami Beach. With his brother Ralph he founded radio WBBM in 1922 and was one of the first to broadcast remote Sunday church services & remote band programs. In 1933, 5 years after WBBM was purchased by CBS, he was named Wester div. vp-gen. mgr. of the network. He became gen. mgr. of WBBM-TV in 1953 & vp last year. Surviving are his wife, 2 sons and a daughter.

Rear Adm. Ernest Lee Jahncke (U.S.N.R. ret.), 83, former Asst. Secy. of the Navy and father of NBC standards dir., Ernest Lee Jahncke Jr., died Nov. 16 at his home in Pass Christian, Miss. Surviving him, besides Ernest Jr., are his wife, another son, 2 daughters, a brother and 11 grandchildren.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**TUBE MAKERS EXPLORE MYLAR SAFETY SHIELD:** Picture tubes completely wrapped in du Pont's tough transparent Mylar film—for all-around lightweight implosion protection—are now being explored by tube manufacturers.

Culmination of several years' research, the wraparound safety shield could appear on some TV sets in next summer's 1962 lines—if tube & set makers decide to adopt the principle. Process is particularly adaptable to portables, because Mylar shield weighs considerably less than a pound (as opposed to 5 lb. for laminated 19-in. glass implosion plate). Mylar may also make possible lighter-weight & smaller cabinets, because TV "box" itself no longer would have to be designed for implosion protection. Added strength of the plastic may also make possible the use of lighter-weight glass in picture tubes.

Work on new shield is cooperative effort of several leading tube makers, E. I. du Pont de Nemours & Co. and a Va. plastic laminating firm. Tube shield is basically a one-mil layer of Mylar polyester film, coated a grey-blue color & "de-glossed" to avoid reflection, laminated to a 5-mil layer of Mylar film. It is vacuum-formed into a cup-like device to wrap around the entire CR tube, from faceplate to socket. It is then bonded to the glass tube by the tube maker.

Du Pont is particularly proud of the shield's light-absorbing properties and claims it "intensifies" picture, increasing apparent contrast. Mylar, a versatile "miracle" plastic, is used in wide multitude of products, from sandwich wrappers to electronic recording tape and the "skin" of the Echo satellite. Tensile strength of Mylar laminate used in proposed tube shield is 20-to-23,000 lb. per sq. in.

No cost information is available, but tube makers believe the device should cut total TV set costs.

Use of new wraparound shield isn't a certainty. Tube & set makers see some potentially important drawbacks. For one thing, plastic isn't as hard as glass, and Mylar film will have same disadvantage as conventional plastic implosion plate—susceptibility to scratches—but it can't be replaced without replacing entire picture tube. For another, it may be difficult or impossible to re-use glass blubs of tubes which have Mylar film bonded to them.

**HOTEL TV BUSINESS REACHING PLATEAU:** TV is almost as necessary as a bed in a first-class hotel or motel these days. But in this field, as in home TV, the rapid-expansion phase has ended. The business now consists mainly of equipping newly built hotels and trying to talk owners of older ones into replacing sets. As a result, the hotly competitive suppliers of hotel-motel TV sets are turning to other fields. These include electronic systems for hotels & motels, and TV in hospitals & other institutions.

No reliable statistics on hotel & motel TV are available, but it's good guess that of approximately 2.5 million rooms in the nation's inns (1.4 million in hotels, 1.1 million in motels), 1.75 million, or 65%, are TV-equipped. During 1960, about 55,000 new hotel & motel rooms will be constructed. Virtually all of these new rooms have TV from the outset—and this is TV industry's expansion margin. As to existing unequipped rooms, it's an uphill battle to add TV—since most TV-less rooms are in marginal situations. Replacement market isn't taken for granted, either; many hotels offer resistance to idea of replacing "obsolete" sets.

Against this background, 7 TV suppliers were using concentrated salesmanship to sell against each other at last week's National Hotel Exposition in the N.Y. Coliseum.

Talking with these suppliers & with hotel executives at the exhibition, we noted these trends in the business since our last hotel-motel TV roundup:

(1) Increasing domination of market by manufacturers. Three large TV makers say they are increasing their share of the business over independent hotel-motel TV concerns. Admiral's commercial electronics

div. claims to be largest hotel-motel TV supplier, with 865 completely equipped inns, well over 200,000 sets on location. Philco subsidiary Tele-Sound Inc. says it averages about 30,000 sets a year. RCA Service Co. released no specific figures.

Independents exhibiting at exhibition: Wells TV, handling sets made by GE and others, says it now has 40-to-50,000 sets out. Tel-Hotel div. of Equipment Leasing Corp., with 35,000 sets in hotels, motels & hospitals, has no tie-in with any set maker, displayed Zenith, GE, Westinghouse & Emerson sets. American Communications Corp., using GE sets, says it now deals with 4-to-5,000 hotels, motels & hospitals.

(2) Continuing trend toward leasing & complete service. All 7 TV firms at Hotel Exposition (except Zenith, which operates through its regular dealers & distributors) offer complete service, using own installation & maintenance crews wherever possible. With one exception, they agreed that trend is more & more toward leasing, as opposed to buying. Examples:

Admiral's commercial electronics div. says 92% of its installations are on lease basis. RCA Service says its dealings are now about 50-50 between lease & outright sale, with trend "swinging more & more to lease." The exception is American Communications, whose business is now equally divided between sale & lease, but whose sales mgr. J. W. Collins sees more of a tendency now to outright purchase.

Lease rates vary according to size & type of set, length of lease, number of sets and type of master-antenna installation (included in package). For 17- or 19-in. sets, we heard figures ranging from around 15¢ to 20¢ per set per day, including installation & servicing. Leases run from 3-to-5 years, more often 5, as this is considered the useful life of hotel set. Usually after end of lease term, hotel or motel may either keep set or buy it cheaply from company (depending on company's plan)—or, in some cases, renew lease at much lower fee. Big advantage of lease plan, of course, is that it requires no cash outlay by hotel or motel.

(3) Preference for smaller sets. Small-screen sets are still the most popular in motel trade, with larger units making some headway in deluxe hotels. Most firms are still displaying 17-in. sets, while also offering 19-in. units. RCA, for example, says it still has 6-month supply of 17-in. sets designed for hotels & motels. Philco's Tele-Sound Inc. features Predicta models no longer being offered on consumer market. Tele-Sound found Predicta, with its separate swiveling picture-tube unit, "one of our biggest sales points" for hotel-motel trade. One 17-in. Predicta model is built into a desk-top, another mounts on a wall bracket.

(4) Special models for hotel-motel trade. Tel-Hotel, long the leader in special hotel TV-furniture combinations, showed combination TV-dresser, TV-desk, etc. It builds own furniture, using make of set specified by customer. Most hotel-TV firms use modified standard home TV receivers—usually with "tamper-proof back" and equipped for 72-ohm lead-in required in most master antenna installations. RCA's hotel models use special burn- & alcohol-resistant cabinets. Among RCA's display pieces was combination TV & desk, the TV screen swinging out of desk in the manner of RCA's "hideaway" TV-coffee table.

If picture-on-the-wall is a futuristic dream in consumer market, it's a reality in hotel-motel field. Wall-bracket installations of 17- & 19-in. sets are becoming increasingly popular, we were told. Remote controls apparently are still too new, too risky or too expensive to be popular with the hotel trade, but there are some in use. For example, Admiral's installations at Hilton Inns in El Paso & San Francisco feature wireless remotes built into bedside desk alongside radio controls.

(5) Little color-TV activity. Both RCA & Wells displayed color sets, the latter reporting demand from inns very low. Although there are a few guest-room color-set installations, an RCA spokesman said, main market for color sets is in hotel lobbies & bars. Often a hotel will order one color set when equipping its rooms with b&w sets, he said; a few are used in luxury suites. One of few hotels whose guest rooms are equipped with color TV is N.Y.'s Tuscany.

(6) Growth of related hotel-motel businesses. All companies in the hotel TV field also offer radio systems. Most of them also have their own electronic "room status" and "message at the desk" systems. The former shows desk clerk & cashier (by means of colored lights) whether each room is rented, whether guest has paid his bill and whether maid has cleaned up. Latter flashes light in hotel room (usually on radio control panel) if there's message at desk for guest.

Admiral, Tele-Sound & others also now offer air conditioners on rental basis and have branched out into heater rentals. Under these plans, motels don't have to invest in air conditioning or central heating.

(7) Forays into hospital TV business. There's difference of opinion as to how promising this field is. Hospital TV rental in past has usually been handled on local level, but now there's trend by hotel-TV firms

to get into this field. In some cases, company sells or leases sets to hospitals; in others it enters rental field on its own, cutting hospital in on a percentage.

Bigest complaint is that most hospitals consider TV a nuisance. Sets usually must be wheeled into room, getting in nurses' way, causing tuning disputes among patients in semi-private rooms, etc. Nevertheless, most hospital patients want TV. Most new hospitals are being constructed with conduit for built-in TV systems. RCA, for example, specializes in TV-in-every-room installation for hospitals. RCA people feel that only way to deal with demand for TV in hospitals is to include it in all or most rooms, disconnecting set if patient doesn't order TV. Wall brackets, says RCA, are a must in hospital installations. So are remote controls.

Hospital remote controls, offered by most TV leasers, are of the wired type. In a new installation, provision is made for plugging them into wall outlet, with enough wire to reach to bed. Most hospital remote control units also contain own speakers to keep noise-level down.

Potential size of hospital business is mystery. With about 1.6 million hospital beds in U.S., best guess is that maximum potential is somewhat less than 500,000 sets.

New competition may be injected into already highly competitive hotel-motel-hospital field with entry of Hertz Corp. subsidiary Hertz Rent-All, which opened first retail outlet in Chicago Nov. 4 (Vol. 16:40), rents TV as well as other items, plans to go nationwide. Hertz spokesman told us Rent-All has already entered hotel-motel business in Chicago. Sets are left at inns on rental basis—short-term, rather than on extended-period lease. Spokesman said this permits hotels to vary their TV stocks according to seasonal trend.

Hertz is now "considering entry into the TV-leasing field." If it decides to do so, it will be through another subsidiary, Equipment Leasing Corp. Hertz says neither Rent-All nor parent company has tie-in with any TV manufacturer "at the moment." Only criterion in ordering TVs for rental is "obtaining the best quality sets on the market."

#### TV-RADIO PRODUCTION: EIA statistics for the week ended Nov. 11 (45th week of 1960):

	Nov. 4-11	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	113,321	110,845	149,295	5,097,010	5,486,927
Total radio .....	385,996	429,057	342,497	14,936,144	13,440,498
auto radio .....	128,657	142,418	63,166	5,692,848	4,837,814

**RCA'S COLORFUL WEEKEND:** RCA last week issued what is perhaps its first public report with figures on color TV sales. Summing up the results of its special color-weekend promotion, Nov. 11-12, RCA had this to show: Sales at retail of 5,731 color TVs, "several thousand" additional sets in homes on demonstration, the likelihood "that the final tally of sales resulting from the 2-day special effort will undoubtedly go well over 7,000." The results, enthused RCA, "exceed our original expectations."

From another RCA quarter last week came additional indication of increasing internal encouragement for the color-TV picture. A corporate-level executive told us that color is no longer a drain on the corporation. On the contrary, he said, color is now producing "substantial profits—not in the \$100,000 or \$200,000 range, but substantial profits."

The consumer interest engendered by the color weekend, "established by a spot check of our principal markets," RCA declared, gives evidence that the Nov. 14 week could wrap up the company's best color-TV days of the year.

"We are so encouraged by these results," RCA announced, "that we plan a similar promotion Dec. 8, when NBC will telecast nearly 5 hours of color at night. The schedule, to be known as 'The Most Colorful Night of the Year,'" will embrace a 2-hour coloroadcast of "Peter Pan" with Mary Martin, *The Tennessee Ernie Show*, *The Groucho Marx Show*, *The Jack Paar Show*.

Monopoly in color-TV picture-tube bulbs was charged last week by Dearborn Glass Co., Bedford Park, Ill., in a civil anti-trust suit against Corning Glass Works. Dearborn formerly made glass faceplates for combination metal & glass color picture tubes purchased by RCA. The suit charges Corning induced RCA in Dec. 1956 to stop purchasing metal & glass components for tube bulbs from I-T-E Circuit Breaker Co. (which made the metal cones) and to buy all-glass bulbs from Corning. Violation of the Clayton Act is charged to Corning, which is accused of selling the bulbs at unreasonably low prices and stipulating that RCA would not use or sell metal & glass bulbs. Dearborn said the alleged deal caused it to lose about \$1.5 million in profit since Jan. 1, 1957, and asked the court to award treble damages. At press time, Corning hadn't filed a reply, but Pres. William C. Decker said that his firm has been made a "target" because it is "the sole American company capable of producing all-glass bulbs for color TV at a price acceptable to the sole manufacturer of color-TV tubes." Should other firms begin to make color tubes, said Decker, "Corning is willing to sell them all-glass bulbs at identical prices."

General Instrument has won a consent decree in a patent infringement suit against Adams Electronics, Bangor, Mich. in Grand Rapids U.S. District Court. Under the terms of the decree, Adams Electronics admitted infringement of GI's "K-Tran" IF transformers, conceded validity of GI's patent. It was enjoined from further infringement and ordered to pay damages to GI.

**SEPT. PHONO SALES DIP:** Consumers bought fewer phonographs during Sept. 1960 than they did in Sept. 1959, according to EIA figures. But total retail sales for the first 9 months of this year were 15% higher than for the comparable 1959 period.

The decline in retail sales for September followed an August increase of 13% over 1959 (Vol. 16:43), indicating that the phono business began to follow the downtrend set by TV in recent months, and substantiating set-makers' comments that phono sales recently have not been up to expectations (Vol. 16:46 p15). The actual drop in total retail sales from Sept. 1959 to Sept. 1960 was slight—10,000 units, or less than 3%. This was the 2nd month this year when phono sales failed to keep up with last year's pace—the first being an unexplainable dip last April.

All of the drop was in the monophonic category, which generally represents lower-priced units. Stereo sales actually were up nearly 7,000 units (less than 3%) during September from Sept. 1959, indicating dollar volume probably was ahead of last year. For the first 9 months of 1960, stereo phono sales were 58% higher than during the similar 1959 period. Factory sales continued substantially ahead of last year during September.

The latest EIA figures on phono factory & retail sales as compared with 1959:

#### PHONO FACTORY SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	118,400	341,329	459,729	184,147	177,336	361,483
February .....	92,649	324,666	417,315	164,873	188,750	353,623
March .....	63,264	242,523	305,787	119,075	168,117	287,192
April .....	30,962	142,409	173,371	47,153	125,111	172,264
May .....	36,793	146,176	182,962	33,356	89,827	123,183
June .....	69,293	198,407	267,700	44,976	152,900	197,876
July .....	70,992	222,559	293,551	44,591	158,668	203,259
August .....	109,321	307,517	410,838	65,179	277,545	342,724
September .....	146,997	384,289	531,286	102,399	377,785	480,184
<b>TOTAL .....</b>	<b>738,671</b>	<b>2,309,875</b>	<b>3,046,546</b>	<b>805,749</b>	<b>1,716,039</b>	<b>2,521,788</b>

#### PHONO RETAIL SALES

Month	1960			1959		
	Mono	Stereo	Total	Mono	Stereo	Total
January .....	150,688	368,964	449,923	231,429	159,214	390,643
February .....	102,063	347,860	448,128	171,127	156,477	327,604
March .....	61,249	249,497	310,746	139,577	140,075	279,652
April .....	41,503	152,141	193,644	94,226	118,197	212,423
May .....	39,734	141,080	180,814	70,228	82,765	152,993
June .....	44,925	165,339	210,264	66,979	100,982	167,961
July .....	58,787	180,949	239,736	82,742	124,979	207,721
August .....	79,364	257,581	336,945	98,132	198,926	297,058
September .....	115,863	264,636	380,499	132,686	257,857	390,543
<b>TOTAL .....</b>	<b>694,176</b>	<b>2,128,047</b>	<b>2,822,223</b>	<b>1,087,126</b>	<b>1,339,472</b>	<b>2,426,598</b>

Component hi-fi promotion campaign, sponsored by Institute of High Fidelity Mfrs., will stress to consumers the advantages of audio components over "other musical reproduction equipment," while soft-pedaling technical jargon. Among other goals: "To identify the people who vend these products to the public specifically as audio specialists and to distinguish them as retail outlets separate & apart from radio, phonograph, TV, etc., retail stores; to point out to the consumer public those qualifications of the audio specialist which enable them to better serve those consumers who desire professional assistance for their home music systems." Editorial-type ads appearing in "broad consumer media" will tell the component story, contain coupons addressed to IHFM for more information. The campaign will be financed by a \$280 monthly voluntary contribution from each sponsoring IHFM member, the effectiveness of the drive to be reviewed next April. At a recent membership meeting, 25 component manufacturers indicated their acceptance of the plan; several others were recorded as "favorable" but as yet uncommitted.

"Transistor makers have proved especially receptive to automated assembly," notes *Wall St. Journal* in a recent report on automation's advance into final assembly operations. The article quotes Philco research & engineering vp Leslie J. Woods as follows: "Automation is the only way to make quality transistors at low cost. We were able to reduce the price of one series of transistors to \$3.50 from \$5.50 when we began assembling automatically." Prior to automated assembly, the *Journal* reports, "the high degree of uniformity needed in manufacture of the tiny electrical devices was often difficult to achieve. With machines now assembling parts around the semi-conductor 'heart' of transistors, uniformity is improved and production is speeded. Machines feed the minuscule parts to the proper place at the proper time and then weld, etch, solder and test. Texas Instruments now pours out transistors for computers at the rate of 1,800 an hour—5 times faster than the production pace before an assembly machine, designed by IBM, was installed 6 months ago. IBM owns the machine & uses its output under an agreement with the Texas firm. The machine, working with tolerances as close as five-10,000s of an inch, automatically assembles 6 transistor parts. Some parts would fit on the head of a pin."

Powerful Sylvania digital computer, intended as the nucleus of large-scale, custom-designed data-processing systems, has been introduced for marketing exclusively to federal agencies & operating telephone companies. Henry Lehne, Sylvania senior vp & electronic systems gen. mgr., called the Model 9400 computer the most powerful in production for both engineering & scientific applications and general administrative data-processing. He said the completely transistorized 9400 was developed for "second-generation data-processing users," described it as "a multiple-computer system incorporating a central information processor and satellite input-output processors. As a result, it is capable of performing 4 separate tasks on a continuing basis at the same time its primary function is being carried out at 125,000 operations per second."

Magnavox's newly-formed British subsidiary, Magnavox Electronics Ltd. (Vol. 16:5 p20), has announced as its initial products 4 radio receivers & stereo phonographs, reports London-published *Wireless & Electrical Trader*. It adds: "These products are to be followed by the introduction of transistor personal radios, tape recorders and, in early 1961, 19-in. & 23-in. TV receivers. The British company is headed by 2 young [each 33] directors with considerable experience in this field"—sales & marketing dir. Denis Fitzgerald, onetime Philco executive and sales mgr. of Radio & Allied Industries Ltd.; engineering & production dir. Don Fisher, previously Regentone Mfg. dir. & chief engineer, following service with EMI and Pye. Magnavox Electronics is located at By-Pass Road, Barking, Essex, will open London offices shortly.

Post-election retail pick-up has started, reports *Wall Street Journal* in a 13-city survey, and most merchants "look for gains to continue" through the Christmas season. The survey, which included TV & appliance dealers, found a "mood of cautious optimism," but no disposition to stock up on inventories. "Our stocks are lower than last year," one unidentified San Francisco department store official is quoted, "but this does not mean we expect to do less business." Consensus was that it will be easy to re-order if stocks run low, obviating the need for large inventories.

Two color sets have been introduced by Du Mont, a Danish modern console and a contemporary lowboy, both priced at \$795.

**Consumers Ready to Buy?** "Guarded optimism" still seems to be the key phrase used by the professional pulse-feelers & business prognosticators to describe consumer buying prospects for such items as appliances & TV.

Nearly all surveys, forecasts & business surveys predict record retail sales during the coming Christmas shopping season—and there's inclination to expect pickup in TV-appliance sales on both a short-term and a long-term basis. One authoritative business news service, for example, has this to say about Yule season prospects:

"Aided by a trend toward 'utilitarian' gifts, demand for electrical appliances, radios, TV sets, stereo equipment and other household items should be better than a year ago."

*Newsweek's* latest Survey of Consumer Buying Plans hints that a turning point may be imminent, to reverse the 1960 downturn in consumer spending. On the basis of its Sept.-Oct. survey, *Newsweek* reports that the public's plans to buy major items have turned upward. In the TV category, consumers, surveyed on their buying plans for the next 6 months, indicated plans to buy TV sets were up by 5% since last July, but still 12% below the year-ago level. Buying plans for most appliances were up more, but kitchen ranges were the only category to show an increase over year-ago plans (15%).

In its interpretation of the figures (collected by researcher Sindlinger & Co.), *Newsweek* speculates: "The survey's interviewers may well have caught the consumer at a turning point, and the recovery in buying plans may turn out to be evidence that his mood about that vague thing called 'business conditions' may soon brighten once more. More important, the figures show that while consumers have shed the high hopes of last January, they haven't panicked."

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Completely transistorized hi-fi equipment at moderate cost will be possible early next year as a result of a new developmental power transistor, RCA announced last week. Now being sampled to the home instrument industry, the "drift-field" transistor will be priced at \$2 next year. RCA says it can deliver high audio power for sound equipment, high-quality auto radios, juke boxes, commercial intercoms, PA systems, etc. Combined with the recent 34% price cut in other drift-field transistors, the new transistor will provide the needed price breakthrough for full transistorization of high-output audio devices. The new PNP germanium transistor can be used in either Class A or Class B audio amplification.

Dismissal of FTC complaints that they granted illegal advertising allowances to favored retail customers has been demanded by Emerson appliance distributors, Emerson Radio Associates Inc., Newark, and Jefferson-Travis Inc., N.Y. They denied FTC charges that they violated the Robinson-Patman Act by paying allowances to some retailers while denying them to competitors (Vol. 16:28 p17).

Adoption of stereo standards early next year is expected of the FCC, NAB engineering mgr. A. Prose Walker stated at the Association's fall conference in Washington last week. He didn't predict which system, if any, of the 5 tested by his NSRC panel would get the Commission's nod. FCC, he said, could pick any of them, a composite, or a "dark horse." He also said that a petition seeking the approval of automatic logging would be filed soon with the Commission.

Deadline for stereo reply comments has been extended by FCC from Nov. 8 to Nov. 21 at the request of GE.

Russian TV is growing at such a pace that the number of Soviet sets will increase 500% and stations will be more than doubled by 1965, *Literature & Life* boasts. Translated in Washington, an article in the Dec. 1959 issue of the Russian magazine says that within 5 years (as against Jan. 1960) there will be 15 million sets in the USSR vs. 3 million and that 160 stations will be operating vs. about 70. Other boasts: The Russian relay system will expand greatly; new studios in Moscow will transmit color; Lenin-grad programming will be stepped up; new TV techniques for production of plays will be introduced. Copies of the translated article, "15,000,000 Television Sets," are available at 50¢ from the U.S. Commerce Dept., Washington 25, D.C. Also available for 50¢ from the Commerce Dept.: A translation of sections of the Soviet publication *Communications Herald*, describing innovations in communications technology.

Canadian TV sales to dealers rose 61.4% in September from August's 28,091 units. But they still trailed the year-ago volume; year-to-date sales totaled 231,099 TVs vs. 271,222 for 1959's first 3 quarters and September's volume was 46,944 units, compared with 48,670 in the year-ago month. The 9-month breakdown (corresponding 1959 figures in parentheses): Portables, 43,376 (46,837); table models, 47,231 (69,630); consoles, 129,663 (145,926); combinations, 10,829 (8,829). For Sept. 1960 (vs. Sept. 1959): Portables, 6,774 (6,115); table models, 9,933 (11,247); consoles, 27,561 (29,754); combinations, 46,944 (48,670).

Joint \$12-million contract for construction of a Voice of America broadcast station has been awarded by the U.S. Information Agency to Collins Radio subsidiary Alpha Corp. and the Ling-Temco Electronics subsidiary, Continental Electronics Mfg. The joint award provides for erection of antennas, installation of transmitting & receiving equipment and the construction of buildings at 3 sites near Greenville, N.C. The new VOA radio facility will broadcast programs to Africa, South America and the Near East.

**New plants & expansions:** Sylvania electronic systems div. has broken ground for \$3-million lab & hq buildings on a 55-acre site at Waltham, Mass. The additions are near current facilities, will be ready for Oct. 1961 occupancy, will permit a 10% increase in the present 2,300 Waltham workforce • Hoffman has officially opened its new 15,000-sq.-ft. research lab at Santa Barbara, Cal. • Paraplegics Mfg. has moved its offices & manufacturing facilities to a new plant at 304 North York Road, Bensenville, Ill.

Appliance production will be suspended in Avco's Nashville div. plant, which makes stoves & Bendix laundry equipment for Philco. Softness of the market & need for inventory adjustments were given as the reasons. Between 800 & 900 workers will be laid off Dec. 1. Avco officials said production should resume early in January.

Howard W. Sams & Co., electronics publishers, enters the aviation field with a new service, Flight Facts, to supply data on airport changes, navigation needs, etc. The service is patterned after Sams' Photofact TV-radio repair manuals & technical data service.

Packard Bell has introduced "Rota/Remote," an ultrasonic wireless remote control activated by rotors instead of snap-buttons. The new remote is being introduced on 2 table TV models, one a 19-inch, the other 23-inch.

Chicago High Fidelity & Home Entertainment Show will be held Sept. 8-to-10 at the Palmer House.

Granco has introduced a new FM-AM table radio with AFC at \$42.95, to be distributed to Du Mont Emerson Corp.

**Trade Personals:** David A. Thomas, ex-RCA corporate vp, elected chmn., Nuclear Corp. of America . . . Herbert Barnett, ex-General Precision Labs exec. vp, named admin. mgr. of Jerrold Electronics lab at Southampton, Pa. . . . Curtis R. Hammond promoted to commercial vp-mgr. development, Raytheon. . . . J. Gilbert Nettleton Jr., named vp & mktg. dir., ITT Federal div. and ITT Labs.

Maj. Gen. Raymond C. Maude (USAF ret.), ex-Du Mont Labs and ITT, named field-operations dir., Philco govt. & industrial group . . . Martin Sheridan named PR vp, Admiral Corp. . . . Allen Center, former Motorola PR dir., currently PR vp of Leo Burnett Co., Chicago ad agency, Jan. 1 rejoins Motorola in charge of all PR activities; Jack Ewan resigns as Motorola PR dir. to accept PR post with Fuller & Smith & Ross ad agency . . . Dawson L. Newton has resigned as Magnavox PR dir., effective Dec. 1 when the firm's publicity hq will move from N.Y. to Ft. Wayne. . . . Frank McCann, ex-*Home Furnishing Daily*, joins RCA as Sales Corp. & home instrument div. product-news publicist; incumbent B. I. French will transfer to N.Y. hq when those activities move to Indianapolis from Cherry Hill, N.J. around year's end (Vol. 16:33 p12).

David Libsohn named sales mgr., General Magnetics & Electronics (Gemark tape recorders) . . . Andrew P. Young named Raytheon international sales & services dir. . . . Hans M. Schiff named vp-gen. mgr., Packard Bell technical products div.

Lloyd V. Berkner, Associated Universities, elected IRE pres., succeeding Ronald L. McFarlan, DATAmatic & Raytheon; Franz Ollendorff, Technion-Israel Institute of Technology, Haifa, Israel, and J. F. Byrne, Motorola Riverside Research Lab, named vps. Elected dirs.: E. F. Carter, Stanford Research Institute; L. C. Van Atta, Hughes Aircraft. Regional dirs.: A. B. Giordano, Brooklyn Polytechnic Institute; A. B. Bereskin, U. of Cincinnati; M. W. Bullock, Continental Electronics Mfg. Co.; B. R. Tupper, British Columbia Telephone Co.

IRE awards for 1961: Founders Award, to Ralph Bown, ex-Bell Labs scientist, for "outstanding service to the IRE & for outstanding contributions to the radio engineering profession." Medal of Honor, to Ernst A. Guillemin, MIT, for "outstanding scientific & technical achievements." Morris N. Liebmann Memorial Prize, to Leo Esaki, IBM (on leave from Sony Corp.), for solid-state contributions, particularly his invention of the tunnel diode. Browder J. Thompson Memorial Prize, to Eiicho Goto, U. of Tokyo, for paper on the Parametron. Harry Diamond Memorial Prize, to Helmut L. Brueckmann, Army Signal Labs, for contributions to antenna theory & technology. W. R. G. Baker prize, to Manfred Clynes, Rockland State Hospital (Orangeburg, N.Y.), for paper on analog computer simulation of respiratory control of heart rate. Vladimir Zworykin Award, to Peter Goldmark, CBS Labs, for contributions to military & medical use of TV. William J. Morlock Award, to Britton Chance, U. of Pa., for application of electronic techniques to fundamental biological research.

Remote-controlled air conditioner has been introduced by Admiral—first use of TV-type wireless remote with household appliances (Vol. 16:42 p20). The Royal Imperial \$499.95 air conditioner uses Super Son-R remote whose 2-button hand transmitter is said to control 13 different functions up to 30 ft. from the unit. The control permits installation of the air conditioner out of reach in a wall where it doesn't have to be touched.

Half-billionth receiving tube produced by RCA's Indianapolis plant came off the line Nov. 14.

## Finance

**PORTRAIT OF FOUR STAR:** Interesting inside look at the operation of Four Star Television, the Dick Powell-Charles Boyer-David Niven TV film operation, is afforded by the company's prospectus, published in connection with its recent oversubscribed offering of 120,000 capital shares at \$15 a share. Among highlights:

For the fiscal year ended June 25, 1960, the firm grossed \$15,141,419 (vs. \$8,774,878 in fiscal 1959). Of this amount, \$13,969,053 (\$8,293,859 in the preceding year) represented the proceeds of TV film rentals and \$1,055,290 (\$435,722) rentals & fees for studio facilities & personnel. The net income for fiscal 1960 was \$317,506 (or 66¢ a share based on 480,000 shares) vs. \$302,698 (63¢) the preceding year.

Since its founding in 1952, the company has produced approximately 860 half-hour films, in addition to furnishing production facilities for 175 films. It has produced some 575 films under co-ownership arrangements, its interest ranging from 95% down to 25%, and averaging 50%; its profit participation interests ranged from 74% to 20%, and they average 39%.

Current commitments with sponsors & networks call for the production of 270 half-hour episodes and 43 hour films for the 1960-61 season, or a total of 356 half-hours of entertainment—alone or under co-ownership arrangements. Last season, Four Star produced 292 half-hour films.

During the last fiscal year, *Dick Powell's Zane Grey Theatre* was the firm's biggest money-maker, contributing 13% of Four Star's consolidated gross revenue; *The Rifleman* was close behind, providing 12%; *Robert Taylor's Detectives*, 11%; *June Allyson Show*, 10%.

Breaking down gross revenues for fiscal 1960 (fiscal 1959 in parentheses), rentals from first-run network telecasting provided 82% (87%), 2nd-run and subsequent 11% (8%), from furnishing below-the-line facilities 3% (nil), production of film commercials 3% (5%), other 1% (nil).

The only 2 officers or directors receiving more than \$30,000 a year for their executive duties are exec. vp Thomas J. McDermott, who received \$57,308 last year but is slated to receive \$100,000 for each of the next 5 years under the terms of his contract; and vp Charles G. Bole, who receives \$31,300 for fiscal 1961. During fiscal 1960, Powell received \$75,298 and David Niven \$11,000 as actors, not including their salaries as executives.

After the stock offering, Powell owns 34% of the company's capital stock, Boyer & Niven 17% each and McDermott 12%.

The company's balance sheet as of June 25, 1960 shows total current assets of \$4,944,092, including \$3,587,803 representing the cost of TV films completed & in process (less amortization). Current liabilities total \$4,374,758.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Advance Ross Electron	Stk.	200%	Nov. 25	Nov. 14
AB-PT	Q	\$0.25	Dec. 15	Nov. 25
AB-PT	Stk.	2%	Dec. 28	Nov. 25
AT&T	Q	.82 1/2	Jan. 10	Dec. 9
Burroughs	Q	.25	Jan. 20	Dec. 23
Electronic Assistance	Stk.	2%	Dec. 15	Nov. 30
Famous Players Canada	Q	.37 1/2	Dec. 9	Nov. 23
GPE	Q	.25	Dec. 15	Nov. 30
Hazeltine	Q	.20	Dec. 15	Dec. 1
Hazeltine	Stk.	2%	Dec. 15	Dec. 1
Magnavox	Q	.25	Dec. 15	Nov. 25
Meredith Publishing	Q	.45	Dec. 9	Nov. 25
Storer Bctg.	Q	.45	Dec. 9	Nov. 25
Storer Bctg. "B"	Q	.12 1/2	Dec. 9	Nov. 25

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

**Allied Artists.** George D. Burrows sold 1,000, held 43,787. Roger W. Hurlock bought 300, held 20,200. Sam Wolf sold 2,000, held 23,550. Albert Zugsmith bought 4,600, held 170,900.

**American Bosch Arma.** Charles Allen Jr. sold 10,214 through Allen & Co., held 40,457 in Allen & Co., none personally.

**American Electronics.** Charles L. Jones sold 1,000, held 800.

**AT&T.** William C. Boleniuk bought 100, held 1,105. F. R. Kappel bought 100, held 1,058.

**Amplex.** James E. Brown bought 150, held 850. Kenneth R. Rickey bought 200, held 200. Walter T. Selsted sold 1,000, held 1,625.

**Amphenol Borg.** Martin A. Donlan exercised option to buy 375, held 1,100. Lester M. Grether exercised option to buy 1,100, held 1,100. Francis E. Shevlin sold 100, held 100. John L. Woods exercised option to buy 1,500, held 3,450.

**Audio Devices.** Bryce Haynes sold 800, held 83. C. J. LeBel sold 1,500, held 70,414. Joseph K. McCammon sold 530, held 11,476.

**Avco.** Frank S. Larson sold 200, held 4,503. A. B. Newton sold 4,000, held 1,666.

**Aynet Electronics.** Michael G. Kletz sold 4,000, held 10,072.

**Cinerama.** Nicholas Reisini bought 16,300 through Robin International Inc., held 396,350 in Robin International Inc., none personally.

**Columbia Pictures.** M. B. Silberberg sold 583, held 601 personally, 117,763 in Fico Corp.

**Consolidated Electronics.** Pieter van den Berg exercised option to buy 9,000, held 12,750. Arie Verne excd. option to buy 6,175, held 10,000.

**Corning Glass.** Paul T. Clark exercised option to buy 1,925, held 1,925. R. Lee Waterman sold 800, held 1,860.

**Daystrom.** Charles D. Manhart bought 200, held 200.

**Desilu Productions.** Desi Arnaz bought 17,500 in private transaction, held 17,500. Lucille Ball Arnaz bought 17,500 in private transaction, held 17,500. Martin N. Leeds sold 35,000 in private transaction, held 100 personally, 1,200 in trusts for sons.

**Electronic Research Associates.** Noah J. Gottfried bought 100 Class A, held 18,900. Sydney Moskowitz bought 100 Class A, held 1,205.

**Filmways.** Martin Ranshoff sold 4,700, held 108,367 personally, 15,536 for children. Ferdinand Raphael sold 150, held none. Al Simon bought 500, held 4,030.

**General Dynamics.** W. McCormick Blair bought 825 in partnership, held 3,075 in partnership, 3,700 personally. Robert P. Meiklejohn bought 700, held 2,700. Robert C. Tait sold 3,400, held 5,000.

**GE.** L. Berkley Davis sold 1,100, held 56. William H. Dennler bought 300, held 2,818. George L. Irvine sold 1,200, held 5,195. Cramer W. LaPierre exercised option to buy 3,390, held 7,325. Ray H. Luebbre bought 2,892, held 15,705. H. A. MacKinnon exercised option to buy 432, held 10,259. Harold E. Strang bought 2,000, held 9,443. Harold A. Strickland bought 940, held 3,786. Clarence L. Walker exercised option to buy 1,375, held 8,298. Laurence I. Wood bought 420, held 3,154.

**General Instrument.** Armand G. Erpf bought 1,000, held 3,000.

**General Telephone & Electronics.** H. H. Howlett sold 100, held 350 personally, 450 in stock purchase plan.

**Guild Films.** C. W. Alden Jr. bought 6,000 from issuer, held 56,000.

**Hycon.** Trevor Gardner bought 22,500 through Gardner Corp., held 22,500 in Gardner Corp., none personally.

**Indiana General.** Stephen M. Kellen sold 200, held 10,800.

**Littton Industries.** Roy L. Ash sold 2,500, held 116,643 personally, 2,400 as custodian, 13,832 in partnership. W. P. Corderman bought 3,300, held 4,100. Glenn McDaniel bought 10,000, held 28,000. Russell W. McFall bought 6,400, held 8,052. William E. McKenna bought 1,500, held 2,519. Norman H. Moore sold 3,075, held 24,326. G. T. Scharffenberger bought 10,000, held 10,000.

**Loew's Theaters.** Thomas L. Norton bought 400, held 500.

**Minn. Mining & Mfg.** Maynard H. Patterson sold 100, held 5,600 personally, 284 jointly with wife.

**Paramount Pictures.** Y. Frank Freeman sold 500, held 1,500.

**Pentron Electronics.** Stanley Heller sold 1,550, held 2,400.

**Philips Electronics & Pharmaceutical.** James J. Colt sold 400 through corporations and 40 more for wife, held 43,087 in corporations, 8,687 for wife, 3,834 personally, 10,839 for daughter.

**RCA.** P. J. Casella exercised option to buy 2,448, held 2,467. Elmer W. Engstrom exercised option to buy 250, held 4,222.

**Raytheon.** R. L. McCornack sold 400, held 600.

**Reeves Soundcraft.** Homer W. Clapper bought 23,625, held 37,475.

**Texas Instruments.** R. W. Olson sold 300, held 11,626. E. O. Vetter sold 100, held 6,677.

**Thompson Ramo Wooldridge.** H. L. George sold 200, held 29,935.

**Trans Lux.** Harry Brandt bought 200 and 100 more for foundations, sold 400 from Pamela Amusement, held 162,100 personally, 35,280 in foundations, 400 in Pamela Amusement, 17,000 for wife, 100 in Barvie Theatres, 3,000 in Brapick Inc., 200 in Marathon Pictures, 400 in Bilpam Corp.

**Varian Associates.** Paul B. Hunter bought 200, held 31,026 personally, 100 in joint tenancy.

**Westinghouse.** W. Watts Smith sold 1,000, held 930 personally, 1,600 jointly with wife.

Monarch Electronics International Inc., North Hollywood distributor of hi-fi components & other electronic parts, plans a public offering of 200,000 common stock shares through Pacific Coast Securities Co. An SEC registration statement (File 2-17256) said the company (formerly Arrow Electronics International Inc.) would use part of the proceeds for additional letters of credit for imports. The price of the shares was to be disclosed in an amended statement.

Arco Electronics has been listed for trading (Class A common) on American Stock Exchange. Symbol: AEL.A.

**Mergers & acquisitions:** General Instrument has purchased for an undisclosed cash sum a 30% interest (42,857 of 142,857 outstanding shares) in Materials Research Corp., Yonkers, N.Y. The Yonkers concern produces instruments for, and carries on, research in metallurgy & ceramics. • Houston Fearless, Los Angeles maker of TV & motion picture equipment and aircraft-missile components, has acquired 4 privately-held companies in the electronics & aerospace industries: Uniconn, Plymouth, Conn.; Nuclear Research Instruments, Berkeley, Cal.; Parabam, Hawthorne, Cal.; Allen Research & Development, Buena Park, Cal. Combined annual sales of the 4 firms approximates \$5 million; the acquisitions were made for undisclosed cash & stock. • Audio-Dynamics, Washington lessor of hotel TVs, and Teletray, Silver Spring, Md. producer of electronic ordering systems for restaurants, plan to merge through an exchange of stock. The merger proposal is slated for submission to the boards & stockholders of both concerns before the end of November. In connection with the merger, Audio-Dynamics' hi-fi store, Stereo Galleries, is being spun off. • Gulton Industries, Metuchen, N.J. electronics engineering & manufacturing concern, has acquired for an undisclosed price the electronics business interests of Electric Machinery Mfg.'s Mullenbach div., in Los Angeles. It makes ceramic material for electronic components. • Lewis & Kaufman Electronics, Los Gatos, Cal., has purchased for an undisclosed sum the Cascade Research div. of Monogram Precision Industries. Cascade, located in Los Angeles, will be operated as L & K's microwave components div. • Varian Associates, Palo Alto, Cal. maker of microwave tubes, components and systems, and Eastern Industries, Hamden, Conn. manufacturer of electronic equipment, have reached a "preliminary basis" for merger. Varian would be the surviving company under the plan to exchange one of its shares for each 3 of Eastern common.

IBM anticipates record volume and profit this year, to top 1959's \$145.6-million earnings (\$7.97 a share) on revenues of \$1.3 billion. "We have the highest hopes we'll grow next year, too," added Pres. Thomas J. Watson Jr. Commenting on intensified competition in the data-processing field, he noted: "Our rate of incoming orders has not slowed down." IBM's backlog of unfilled orders for its 1401 medium-scale computers tops 3,500 units. Total worldwide shipments of IBM solid-state computers will approximate 4,000 units by the end of 1961. And the company has a substantial number of orders to replace older vacuum-tube type computers with solid-state machines. Watson said that a new electronics activity slated for rapid expansion is "teleprocessing"—which uses radio or cable hookups to connect remote operations with centralized computers so that data can be processed swiftly and disseminated throughout the system. Principal potential users of teleprocessing: big, decentralized companies.

Philco profit plunged 52% to \$2.1 million (from \$4.4 million) despite a 5% sales rise to \$297 million (from \$283.5 million) during the first 9 months of 1960 (see financial table). For the September quarter, indicated profits fell to \$176,000 (2¢ a share) from \$1,987,000 (56¢) a year ago. Third-quarter sales gained slightly to \$102,821,000 from \$102,171,000. Pres. James M. Skinner blamed the sharply reduced earnings on "this year's soft consumer-goods market & continued high development costs in the computer div." He also pointed to "unusually heavy start-up costs" necessitated by several military programs.

Trav-Ler Radio has been listed for trading on the New York Stock Exchange. Symbol: TVL.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
American Electronics	1960—9 mo. to Sep. 30	\$ 18,947,280 <sup>1</sup>	—	\$ 381,688	\$0.38	1,011,041
	1959—9 mo. to Sep. 30	15,360,403	—	353,084	.40	874,272
	1960—qtr. to Sep. 30	5,531,258	—	116,697	.12	1,011,041
	1959—qtr. to Sep. 30	6,687,710	—	126,678	.14	874,272
Arco Electronics	1960—9 mo. to Sep. 30	2,530,221	—	280,304	.33	845,000
	1959—9 mo. to Sep. 30	1,999,309	—	168,121	.20	845,000
Avnet Electronics	1960—qtr. to Sep. 30	2,517,900	—	275,947	.18	1,513,300 <sup>1</sup>
	1959—qtr. to Sep. 30	2,132,091	—	255,713	.16	1,513,300 <sup>1</sup>
Electronic Associates	1960—9 mo. to Sep. 30	10,112,242	\$ 1,388,754	672,102	.93	723,087
	1959—9 mo. to Sep. 30	7,186,803	971,330	471,738	.67	701,340
Electronic Specialty	1960—6 mo. to Sep. 30	5,079,000	—	7,000	.01	547,440
	1959—6 mo. to Sep. 30	5,554,000	—	265,000	.49	541,940
Gross Telecasting	1960—9 mo. to Sep. 30	—	912,110	442,110	—	—
	1959—9 mo. to Sep. 30	—	950,171	460,207	—	—
Industro Transistor	1960—year to June 30	1,282,116	—	192,524	.35	—
	1959—year to June 30	594,158	—	(34,330)	—	—
ITT	1960—9 mo. to Sep. 30	547,738,595	57,147,979	21,137,268	1.36	15,559,737
	1959—9 mo. to Sep. 30	506,663,405	50,837,151	18,670,120	1.22	15,217,980
	1960—qtr. to Sep. 30	193,998,825	19,190,660	6,882,795	.44	15,559,737
	1959—qtr. to Sep. 30	172,675,446	16,415,687	6,207,191	.40	15,217,980
A. C. Nielsen	1960—year to Aug. 31	31,019,342	—	2,138,252	1.25	—
	1959—year to Aug. 31	26,858,133	—	1,085,112	.63	—
Philco Story on p. 22	1960—9 mo. to Oct. 2	297,101,000	2,554,000	2,107,000	.45 <sup>2</sup>	4,090,207 <sup>3</sup>
	1959—9 mo. to Oct. 2	283,516,000	9,444,000	4,373,000	1.00 <sup>2</sup>	4,090,207 <sup>3</sup>
Philips' Lamp Works	1960—year to Sep. 30	860,985,000 <sup>1</sup>	—	71,815,000 <sup>1</sup>	—	—
	1959—9 mo. to Sep. 30	735,110,000	—	55,650,000	—	—
Silicon Transistor	1960—9 mo. to Sep. 30	—	—	145,000	.29	—
	1959—9 mo. to Sep. 30	—	—	(102,000)	—	—
	1960—qtr. to Sep. 30	—	—	40,000	.08	—
	1959—qtr. to Sep. 30	—	—	(40,000)	—	—
Sonotone	1960—9 mo. to Sep. 30	16,079,000	—	351,174	.29 <sup>2</sup>	—
	1959—9 mo. to Sep. 30	18,271,000	—	829,201	.70 <sup>2</sup>	—
Times-Mirror	1960—40 wks. to Oct. 2	83,927,188	—	3,553,933	.88	4,019,209
	1959—40 wks. to Oct. 2	72,794,545	—	3,453,003	.96 <sup>3</sup>	3,593,940 <sup>3</sup>
Varian Associates	1960—year to Sep. 30	46,582,031 <sup>1</sup>	—	2,861,886 <sup>1</sup>	.85	3,369,875
	1959—year to Sep. 30	38,483,543	—	2,580,340	.82	3,138,151

Notes: <sup>1</sup>Record. <sup>2</sup>After preferred dividends. <sup>3</sup>Outstanding Oct. 2, 1960. <sup>4</sup>Outstanding Sept. 30, 1960. <sup>5</sup>Adjusted for Jan. 1960 4% stock dividend & April 1960 3-for-1 split.

Reports & comments available: Thompson Ramo Woolridge, report, Reynolds & Co., 120 Broadway, N.Y. 5 • National Video, analysis, J. A. Hogle & Co., 40 Wall St., N.Y. 5 • Audio Devices, memo, Wm. M. Rosenbaum & Co., 331 Madison Ave., N.Y. 17 • General Tire & Rubber, comments, Auchincloss, Parker & Redpath, Two Broadway, N.Y. 4 • AB-PT, report, J. R. Williston & Beane, Two Broadway, N.Y. 4 • Electronic Assistance, analysis, Bruno-Lenchner, Bigelow Square, Pittsburgh 19 • "High Flyer In Electronics," report, Albert Teller & Co., 123 S. Broad St., Philadelphia 9 • Automatic Radio Mfg., prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • Transitron, prospectus, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5. • General Instrument, memo, Auchincloss, Parker & Redpath, 2 Broadway, N.Y. 4.

National Video anticipates record sales & profits for fiscal-1961's first half ending Nov. 30. Earnings are expected to equal \$1.25 a share vs. 86¢ a year ago. Sales may reach \$10,750,000, up from \$8,290,672 in Jan.-Nov. 1959. Pres. Asher J. Cole forecasts for the full fiscal year, ending next May 31, earnings of \$2.25 on \$20-million sales, compared with fiscal-1960's \$1.84 earnings on \$17,047,104 sales.

Texas Instruments still expects record sales & profits this year, but by lower than previously predicted margins. Pres. P. E. Haggerty forecast for the N.Y. Society of Security Analysts last week 1960 earnings of \$15,250,000-to-15,750,000 (\$3.90-to-4 a share) on \$232-to-233 million sales billed. This compares with 1959's record performance of \$14,142,788 (\$3.59) earned on \$193,212,809 sales. "While the 4th-quarter upturn is not as sharp as we expected," Haggerty explained, "the percentage growth in TI's net billed sales in 1960 & 1959 will be approximately 20%—a respectable increase in any year and certainly in an economy which has shown definite softness through the year."

Beckman Instruments expects record profits of about \$4 million (\$2.80 a share) for fiscal 1961, ending June 30, compared with the previous high of \$3,092,915 (\$2.24 on 1,381,023 shares) earned in fiscal 1960. Sales are expected to rise to \$65 million from \$54,257,282 the preceding year. Pres. Dr. Arnold O. Beckman bases his optimism on a "record backlog, increases in sales of new products, company-wide cost-reduction programs, and the sale last April [to Clevite, Vol. 16:17 p19] of an unprofitable subsidiary, the Shockley Transistor Corp."

Standard Kollsman Industries "expects a continuation of the upward trend of sales & profits in all of its divisions right through 1961," reports Pres. J. O. Burke. During 1960's first 9 months (Vol. 16:44 p20), the company earned \$2.2 million (\$1.10 a share) on \$71.8-million sales—up sharply from the year-before earnings of \$1 million (52¢) on \$54.2-million sales. Burke noted that Standard Kollsman "is continuing its program of diversification & acquisitions in the electronics & electrical fields."

Electronics Capital Corp., the small-business investment company, has purchased \$1.5 million of convertible debentures and senior notes in Canoga Electronics Corp., makers of radar, missile & satellite tracking systems, microwave components, etc. The \$1.2 million of debentures owned by Electronics Capital is convertible into 47% of Canoga's total common stock. Canoga also received a \$300,000 long-term loan commitment from ECC.

Collins Radio has called for Dec. 21 redemption of the \$1,195,000 of 5% convertible subordinated debentures still outstanding from its original May-1957 issue totaling \$7,917,000. The debentures are convertible into common stock at \$26.50 a share. Right of conversion expires Dec. 16. Redemption price is 104.10% plus accrued interest. If all debentures are converted, total common shares outstanding will increase by 45,113 to 2,208,741.

Magnavox's October sales were a record for the month & 28% ahead of a year ago. Pres. Frank Freimann attributed the performance to gains by the consumer-products (TV, radio, stereo) and the govt. & industrial electronic products divs.

Terminal-Hudson Electronics has been listed for trading on the American Stock Exchange. Symbol: THE.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, November 17, 1960

Electronics TV-Radios-Appliances Amusements

*The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.*

Stock	Bid Asked	Stock	Bid Asked
Acoustica Assocites	18½ 20½	Magnetics Inc.	8 9½
Aerovox	7½ 8½	Maxson (W.L.)	7½ 8½
Allied Radio	22 23½	Meredith Pub.	39½ 43
Astron Corp.	1½ 2	Metropolitan Bctg.	16½ 17½
Baird Atomic	23¾ 25½	Milgo Electronics	16 17½
British Industries	15½ 17½	Narda Microwave	3½ 4½
CGS Labs	6½ 8½	Nuclear of Chicago	32½ 35½
Cetron	3½ 4½	Official Films	2 1/16 2½
Control Data Corp.	45½ 48½	Pacific Automation	4½ 4½
Craig Systems	14½ 15½	Pacific Mercury	5½ 6½
Dictaphone	33 35½	Perkin-Elmer	43 46½
Digitronics	22½ 25½	Philips Lamp	162½ 168½
Eastern Ind.	13½ 14½	Pyramid Electric	2½ 3 1/16
Eitel-McCullough	15½ 16½	Radiation Inc.	20 22
Elco Corp.	14½ 16	Howard W. Sams	34 36½
Electro Instruments	20 22½	Sanders Associates	29½ 31½
Electro Voice	9 10	Silicon Transistor	5 5½
Electronic Associates	26½ 29½	Soroban Engineering	33 36½
Erie Resistor	8½ 9½	Soundscriber	11½ 12½
Executone	20 22½	Speer Carbon	19½ 21½
Farrington Mfg.	28½ 30½	Sprague Electric	44 47½
Fischer & Porter	17½ 19½	Taft Bctg.	12½ 14½
FXR	39½ 43½	Taylor Instrument	33 35½
General Devices	9½ 10½	Technology Inst.	8 9½
G-L Electronics	7½ 10½	Tele-Broadcasters	5½ 1 1/16
Granco Products	3½ 3½	Telechrome	10½ 11½
Gross Telecasting	19 21	Telecomputing	7½ 7½
Haydu	1/16 1½	Telemeter	10½ 12
Hewlett-Packard	25½ 27½	Time Inc.	63½ 67
High Voltage Eng.	136 145	Tracerlab	8½ 9½
Infrared Industries	16½ 18½	United Artists	6½ 6½
International Rectifier	21 20½	United Control	18 19½
Interstate Engineering	19½ 21	Universal Trans.	1 1 5/16
Itel	50½ 55	Vitro	9½ 10½
Jerrold	7½ 8½	Vocaline	2½ 3 5/16
Lab for Electronics	44½ 47½	WJR Goodwill Station	8½ 10
Lel Inc.	4½ 5½	Wells-Gardner	18½ 19½
Magna Theater	2½ 2½	Wometco Ent.	12½ 13½

## Foreign

Overseas TV-radio investment—in the form of station ownership—is being "considered" by Metropolitan Bctg. Corp., we were told last week by Pres. John W. Kluge. Metropolitan, in a sense, is already warming up in the international bullpen, having received FCC approval Oct. 5 to assume ownership of WRUL—America's only commercial shortwave station, with 5 transmitters at Scituate, Mass.—from founder-owner Walter S. Lemmon. Now named Worldwide Bestg. div. of Metropolitan, and with Ralf Brent named pres., the station has moved its studios & business offices to new quarters in the Paris Theater Bldg. at 4 West 58th St., has plans to beam foreign-language news, sports, information and entertainment shows to listeners in all major outside-U.S. radio markets. Worldwide is currently promoting its commercial services to international advertisers by means of a wide-screen anamorphic slide-film presentation developed by Brent and sales dir. Paul Evans. Showings have been staged at the Paris Theater, with others planned for agencies in Chicago, Los Angeles, San Francisco and other cities.

Bring back Ben's bongs! That's the gist of some 15,000 letters that deluged Britain's BBC recently. Cause of the editorial uproar: BBC had, for years, been using 10 rich, rolling "bongs" of London's Big Ben as a signature for the widely-listened-to 10 p.m. *Home News Service*. The whole sequence took 45 seconds. Feeling that listeners might want a spot more big news and a shade less Big Ben, BBC trimmed back to just one introductory bong. Listeners couldn't have been more aghast if Queen Elizabeth had considered selling the crown jewels to R. H. Macy. BBC hastily compromised. Now, the 10 p.m. show starts with a nice loud bong, fades out the other 9 slowly under the start of the newscast, and everyone's happy.

Ireland's American TV chief, Edward J. Roth Jr., 38-year-old former program mgr. of Notre Dame's WNDU-TV South Bend & of WGN-TV Chicago, scored U.S. TV for "overcommercialization" as he told newsmen in Dublin of his plans. Telecasting will start next year, he said, and plans call for at least 6 hours daily by Nov. "In the U.S." he added, "the sponsors exercise a tremendous influence on the programs, and we don't intend that that should happen here." After his station stints, Roth had returned to NBC where he had started his TV career in the early 1950s and served as NBC consultant helping stations to start in Lima, Peru, and Guadalajara & Monterrey, Mex.

India's 4-year experimental ETV program for high schools in the state of Delhi will get under way in July (beginning of the Indian school year) with the Ford Foundation's grant of \$474,500 (Vol. 16:37 p20) and an Indian govt. contribution of \$89,460. Beside helping to eliminate the teacher shortage, the program is expected to benefit regular teachers by enabling them to watch the country's best instructors at work. The broadcasts may also be used for adult education.

Contract for 2 TV stations has been awarded to Japan's Nippon Electric Co. by Cambodia's govt. The \$390,000 installation will consist of a 100-kw master studio & station at Phnom Penh, the capital, with a 100-kw repeater on the Bokor plateau. The contract specified that the stations should go on the air by next August.

Intercontinental Services Ltd. (Harry Engel) has been named U.S. rep for Jordan Bestg. Service, operator of radio HBS Amman, Jordan. The medium-wave commercial outlet is managed by William E. Minette, an American.

WEEKLY

# Television Digest

NOVEMBER 28, 1960

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

## SUMMARY-INDEX OF WEEK'S NEWS

### Programming

**AFTRA-SAG DISPUTE HEADED FOR SHOWDOWN**, with Nov. 26 do-or-die negotiation session scheduled between the 2 talent unions and the networks (pp. 2 & 9).

**HOW PROGRAM TYPES NOW RATE** is shown in special Nielsen chart comparing this fall's types with last season's. Quiz & audience participation shows have staged a comeback (p. 11).

### FCC

**FCC WARM ON 3-YEAR STATION-SELL RULE**, may act soon. Details of time-calculation indicated. FCC action may cool Rep. Harris's plans (p. 2).

**FAA SAYS TV & RADIO "TOO APPREHENSIVE"** about plans for determining air hazards. General counsel indicates FCC still has final power to grant or deny (p. 3).

**PUBLIC-NOTICE & PRE-GANT RULES** spell out publication & objection procedures required by Harris-Pastore Act (p. 4).

**SUPER AGENCY ADVOCATED** by organizing committee for White House Conference on Administrative Procedure to streamline federal regulatory operations (p. 5).

**FCC & NAB CONFER ON SPOTS**, but Commission shows no intention of stopping practice of questioning stations (p. 5).

### Advertising

**LOCAL SALES SUCCESSES** continue to abound in TV, our own recent mail survey of stations finds. First of a new series, this report presents TV local-level success stories for autos (pp. 3 & 7).

**ADVERTISING PROTESTS MOUNT** at FTC at rate of 5,000 per year. Complaints from irate customers & competitors in fiscal 1960 increased 28% over 1959 (p. 8).

**PENDULUM SWINGING TO TV-SET CONTROL LAW?** Proposal to ban interstate shipment of sets which can't receive all uhf & vhf channels may have good chance of passage during next session of Congress, Washington observers believe. The FCC-proposed legislation (Vol. 16:6 p2) may well be pushed by Kennedy administration, and there are some indications that set manufacturers are becoming less disposed to wage all-out war against it.

On agenda of Electronic Industries Assn. board of directors at this week's 3-day EIA winter conference in San Francisco is reconsideration of the measure, to which the Association twice before has expressed flat opposition. There's no expectation that it will get set-makers' endorsement this time, but fact that it's on agenda again is significant.

EIA board vote will follow by one day an address by FCC Comr. Robert E. Lee to the Association's membership—on the subject of FCC's upcoming N.Y. uhf experiment—and he's expected to do big selling job on set-control bill. As proposed to 86th Congress, unanimously endorsed by FCC, it would give Commission power to establish minimum performance standards for TV sets shipped between states. It's not believed, however, that set makers would ever sit still for granting to FCC such blanket powers over their industry. It's conceivable, though, that they might not put up strong fight against more limited measure.

### Consumer Electronics

**PENDULUM MAY SWING** toward all-channel-set law during Kennedy administration. EIA to reconsider measure at San Francisco meeting (pp. 1 & 17).

**BONDED-TUBE BATTLE** just beginning, as 2 important new processes challenge Corning technique: Dry-seal gasket method, and new Pittsburgh lamination. Corning plans consumer & trade campaigns to promote bonded tube (p. 14).

**IMPROVED RCA COLOR TUBE** may give 85-90% more brightness, increased contrast, through use of new sulphide phosphors, reflection-reducing laminated implosion plate (p. 16).

**TV RETAIL SALES** in October were 16% below 1959, preliminary estimates show; inventories now below '59 level (p. 17).

**TV SET EXPORTS** in August were highest since May, Commerce Dept. import-export tabulation shows (p. 18). 2,300 TVs exported here from Japan in September (p. 18).

### Networks

**OPTION TIME STILL IN JEOPARDY**, with Justice Dept. expected to ask court to remand case to FCC for new decision (p. 3).

### Foreign

**FOREIGN TV BOOMS** to a total of 38,650,000 sets-in-use, 4 million added in June-Oct. period vs. 2.5 million in first 5 months this year. Stations total 1,353 (pp. 4 & 6).

### Film & Tape

**GLOOM OVER HOLLYWOOD**: TV film industry executives foresee minimum of 40 casualties in a mediocre season (p. 9).

### Other Departments

ETV (p. 8). STATIONS (p. 12). PERSONALS (p. 13). FINANCE (p. 19).

If Kennedy administration decides to push set-control law, it could conceivably sail through Congress during anticipated first-session "honeymoon" period. There are good indications, too, that administration may give it strong backing. Comr. Bartley, most likely candidate for FCC chairmanship, is strong for measure. So are several others mentioned prominently for the post (see p. 6 & Vol. 16:47 p4). During Eisenhower administration, Commerce Dept. opposed the bill, while FCC favored it. If new administration presents unified front—with Commerce Secy.-designate Luther H. Hodges going along—skids could be greased for passage of some type of law requiring manufacturers to supply uhf tuners in all sets.

Other important TV issues before this week's EIA meeting will be discussion—and possible approval—of: (1) an industry-enforced advertising practices code (Vol. 16:38 p16) covering all electronic entertainment devices, and (2) an all-industry campaign to promote purchase of more TVs, phonos & radios. For more details on EIA meeting agenda, see p. 17.

**THAT STRIKE THREAT:** Showdown was in sight at week's end in the stalled negotiations between AFTRA & SAG and the 3 networks. Scheduled for Nov. 26 was meeting between the unions & network executives (at CBS-TV N.Y. hq), at which time last-ditch, face-to-face attempt would be made to prevent threatened walkout of TV program & commercial talent (Vol. 16:47 p2). Since Nov. 15 expiration of AFTRA-SAG contracts involved, the 2 sides have not held bargaining sessions, apart from quick meeting Nov. 22 at N.Y. offices of Federal Mediation & Conciliation Service.

Strike, however, was still strong possibility. In field of live & taped network programs, AFTRA & networks were still far apart. Networks had previously indicated they'd be willing to meet some marginal AFTRA demands (more money for a bit player whose part calls for him to grow a beard, meals for casts rehearsing late at night, boost in mileage allowances for actors who have to drive to a point of location, etc.). But the networks were also seeking greater freedom (& lower costs) in making up new TV shows by snipping up tapes of old ones, and were refusing to negotiate on such AFTRA-demanded items as an improvement in the penalty provisions for delays in rerun payments to talent, payments to actors for public appearances or tune-in TV ads, increased payment scales for closed-circuit telecasts, and a number of increases in network program TV rates.

Acting largely on behalf of ANA and 4A, which are closely concerned with increases in the costs of TV commercials placed on a spot basis, the networks have also offered a few concessions to AFTRA & SAG in the commercials realm. However, networks last week had so far refused to budge on the unions' demands for a "unit system" of payment scaled to city size, and were seeking revised-downward pay scales in some commercial cases. Among these: Networks have proposed a reduction in classification of some small-role commercial actors to that of extras, and are seeking a special 6-week-cycle commercial rate.

Still a question mark is whether technical & engineering unions, such as NABET, would support an AFTRA-SAG walkout—if it came. Networks have hinted these unions won't support it; AFTRA-SAG hint they will. The technical unions, however, have maintained a diplomatic silence. (Further details on p. 9.)

**FCC WARM ON 3-YEAR STATION-SELL RULE:** Brakes on sales of stations held less than 3 years, under consideration by FCC (Vol. 16:45 p1), are still in works, may be proposed in rule-making in couple of weeks. Commission discussed subject again last week, and sentiment still leans toward proposing the rule.

It's understood that multiple owners, with the rules now under consideration, would suffer greater restraints than single operators. If a multiple owner wanted to sell all stations, he would not be able to do so until he had held his most recently acquired station 3 years. An exception: If the package contains an FM station held for less than 3 years and an AM held for more than 3—and they both serve the same market.

In figuring the 3-year periods, Commission is considering these methods of calculation:

- (1) If the transfer involves a license and a CP for major changes, the 3 years are measured from the date the CP for changes was granted.
- (2) If a CP for an operating station or a license is involved, the time is calculated from the day FCC gave the grantee his initial operating authority.
- (3) If the station to be sold was acquired by purchase, the time is measured from the day the purchase was approved by FCC.

Though there is bound to be opposition to any restrictions on sales which may be proposed, some operators wonder whether FCC restraints may be lesser of 2 evils—other being Congressional strictures. Rep. Harris (D-Ark.), chmn. of Commerce Committee, is very hot on subject of "speculators" and has promised action. Some Washington Harris-watchers think he may be cooled off by tighter Commission rules.

**GRASS-ROOTS TV SUCCESSES:** TV hasn't lost its overnight sales touch—although much national spot-TV buying, ignoring this fact, is done on a strict slide-rule yardstick of rating-vs.-cost, and many a timebuyer's contact with local TV stations is only through Madison Ave. sales reps.

We recently surveyed TV stations, in both U.S. & Canada, to see if local TV still carried the kind of sales punch that won many pioneer advertisers in the medium's earliest days. A cross-section of stations replied, citing local-level sales successes for ad categories ranging from autos to ice cream.

First roundup of survey-reported successes appears on p. 7. It covers case examples in the automotive & auto-products field, ranges in terms of markets from Quebec to Miami.

Our motives in printing this: To provide stations with an interchange of sales ideas, and to remind agencies that the values of TV can't always be found in station rate cards.

**OPTION TIME STILL IN JEOPARDY:** Fight over network option time may be starting all over again. KTTV Los Angeles, which wants the practice abolished, has gone to Court of Appeals to seek a reversal of FCC's decision cutting option time from 3 to 2½ hours for each quarter of the day (Vol. 16:47 pl). Last week, all 3 networks & their affiliate organizations filed or were preparing to file motions to intervene which would allow them to fight KTTV in the Court.

Looming on horizon, however, is probability that Justice Dept. will ask Court to remand case to FCC for another decision. Speculation is that Justice will assert that Commission never really decided case, basing its claim on Comr. King's unusual vote. Commission had been split 3-3, and King then decided to vote with majority. However, he said that he believed FCC had only 2 alternatives before it—leave situation as is or cut periods to 2½ hours (Vol. 16:38 pl). He didn't agree with minority (Ford, Hyde & Bartley) that Commission had 3rd alternative of eliminating option time altogether.

If Court does remand—there's fair chance of it—King may join minority and make it the majority. If King is replaced before vote is taken, his replacement also could go either way.

**FAA SAYS TV & RADIO 'TOO APPREHENSIVE' ABOUT TOWERS:** FAA has always agreed that FCC has final word on whether or not a tall tower should be authorized. Broadcasters have been too apprehensive about FAA's proposed rule-making on subject (Vol. 16:38 p5 et seq.).

That's the position taken by FAA general counsel Daggett H. Howard, amplifying on the comments made by FAA Administrator Elwood R. Quesada at a recent National Press Club luncheon.

Daggett said that FAA & FCC have "concurrent jurisdiction," that FAA's job is to determine whether a structure is a hazard while FCC's duty is to weigh FAA's findings as part of a determination as to whether an application can be granted.

"Suppose," we asked Howard, "that FAA declares a proposed tower to be a hazard but that FCC decides that it should be built anyway because the public interest demands it?" FCC has the power to allow the construction, he said, and aviation interests would have to accept it. "How about FAA's proposal to establish antenna farms in all states?" Howard's response: "We say that if a tower is on an antenna farm it isn't a hazard—but we don't say that it must be built there only."

Quesada had stated, at the Press Club luncheon: "There is an honest difference of opinion between the FCC & us. The FAA has control of airspace. The determination of what is an aeronautical hazard belongs to the FAA. The FCC must consider this determination among other things when deciding whether or not to grant a permit. This is its authority. But it must accept our view that there is a hazard."

Asked what dispute there is then, between FCC & FAA, Howard said that "the Commission is resisting our claim that it's our duty to determine what is a hazard." Opposition of TV-radio industry to FAA's rule-making proposal, he said, is based "partly on lack of understanding. Quesada's statement should give them some comfort." However, broadcasters aren't yet prepared to quit worrying about FAA.

**FOREIGN TV BOOM:** TV set-buying abroad just about doubled in the 4 months from June 1 to Oct. 1, 1960 compared with the 5 months Jan. thru May. The surge brought the foreign total to 38,650,000. During the same period, the number of overseas TV stations went up 116—from 1,237 to 1,353.

Expansion of more than 4 million sets in overseas TV in June-Oct. period vs. 2.5 million in earlier part of year (Vol. 16:25 p20) was noted by USIA in report prepared for its overseas posts. Of the total sets-in-use, 32,650,000 were estimated in countries outside Communist bloc, 6 million inside Iron Curtain. Non-Communist countries added 97 new stations since June, Communist countries 19.

"Statistical data must be viewed with caution," USIA said, since—as usual—it lacked official figures from some bloc countries and had to rely on "consensus of a variety of unofficial sources." But set & station count took in all countries excluding U.S. & territories and Canada (see p. 6).

Other highlights of USIA report: (1) Castro govt.'s takeover of TV in Cuba became "complete." (2) Japanese TV "continued rapid growth." (3) Norway officially opened its TV network. (4) Albania started first experimental TV tests. (5) USSR & United Arab Republic signed 5-year TV-program exchange agreement. (6) USIA's own TV service now has estimated viewing audience of 135,250,000 in 51 countries.

## The FCC

**PUBLIC-NOTICE & PRE-GRANT RULES:** Issuance of FCC's new procedures implementing certain sections of the Harris-Pastore Act (Vol. 16:47 p1) has drawn a variety of reactions from the industry—but we haven't talked with anyone who can discern any public value to the public-notice & pre-grant provisions.

Some believe that the public-notice procedure—requiring local publication & broadcasting of applications for new stations or major changes—could open wide a swinging door for cranks, sharpshooters and even blackmailers. Others doubt that such results will develop. They point out that there is frequently local publicity about applications, and that the lunatic or greedy fringe tends to get its licks in anyway. Here are typical comments of station operators and their attorneys:

"Another nuisance for the applicant. I can't visualize any public benefit in it. Who reads the legal notices in the paper? I think these will fall into the same category."

"It won't make a bit of difference. The people who are really interested know about applications already by following FCC activity. I don't think it will produce much increase in crackpot complaints."

"The station operator is placed in the unfair position of having to prove he is not guilty. It's in the French courts—not the American—that you are guilty until you prove yourself innocent."

"It may produce some frivolous objectors—but the serious people know what's going on already."

The FCC issued the text of the new rules last week as Public Notice 60-1381. The rules attempt to spell out the kinds of applications which require public notice.

For AM, the rules apply to changes in frequency, power, hours of operation or station location. For TV, it's any change in channel or station location—or any change in power, height or antenna location which would produce a difference of 50% or more in area within the station's Grade B contour. For FM, it's any change in frequency, station location or class—or any change in power, height or antenna location which would produce a difference of 50% or more in area within the station's 1 mv/m contour. In addition, the FCC may tell the applicant that "a major change" is involved even if it doesn't fall within the foregoing categories. The rules also apply to applications for renewals & transfers.

The publication must be made at least twice a week for 2 weeks in a daily newspaper. In addition, if an operating station is seeking a modification, assignment, transfer or renewal, it must also broadcast that fact twice weekly for 2 weeks, between 10 a.m. & 10 p.m. Here's what the notice must contain, the rules say:

"(1) The name of the applicant, if the applicant is an individual; the names of all partners, if the applicant is a partnership; or the names of all officers & directors and of those persons holding 10% or more of the capital stock or other ownership interest if the applicant is a corporation or an unincorporated association (in the case of applications for assignment or transfer of control, information should be included for all parties to the application).

"(2) The purpose for which the application was filed (i. e., construction permit, modification, transfer or assignment of control, renewal, etc.).

"(3) The date when the application or amendment was filed with the Commission.

"(4) The call letters, if any, of the station, and the frequency or channel on which the station is operating or proposes to operate.

"(5) In the case of an application for construction permit for a new station, the facilities sought, including type & class of station, power, location of studios, transmitter site and antenna height.

"(6) In the case of an application for modification of a construction permit or license, the exact nature of the modification sought.

"(7) In the case of an amendment to an application, the exact nature of the amendment.

"(8) In the case of applications for a permit pursuant to section 325(b) of the Communications Act, the call letters, and location of the foreign radio broadcast station, the frequency or channel on which it operates and a description of the programs to be transmitted . . ."

The new rules also spell out how parties may file objections to applications. Up to the day before FCC acts on an application, a "party in interest" may file a petition urging denial. "The petition," the rules state, "shall contain specific allegations of fact sufficient to show that the petitioner is a party in interest and that a grant of the applications would be *prima facie* inconsistent with the public interest, convenience, and necessity. Such allegations of fact shall, except for those of which official notice may be taken, be supported by affidavit of a person or persons with personal knowledge thereof."

**SUPER AGENCY ADVOCATED:** Creation of a permanent, multiple-interest Administrative Conference to oversee operations of all federal regulatory agencies, including FCC, was recommended last week by a group named by President Eisenhower to prescribe cures for faults.

Meeting in Washington with Court of Appeals Judge E. Barrett Prettyman, an old hand at studies of agency inefficiency, the organizing committee of the White House Conference on Administrative Procedure (Vol. 16:47 p14) "strongly" urged such a super set-up.

As envisaged by govt. officials & lawyers making up the 15-man committee headed by Prettyman, the Administrative Conference would be a "force from within" the agencies to streamline procedures. Patterned after the already-functioning Judicial Conference which keeps an eye on federal court administration, it would advise—but not dictate to—the agencies.

Judge Prettyman said details of the plan weren't worked out, but that he expected his committee to come up with a written draft in a couple of weeks. As outlined by the organizing committee, the administrative conference would be made up of as many as 65 delegates—representing agencies, Congress, cabinet, bar groups, law schools.

In time—maybe 5 years—such a group of overseers could become the authoritative voice for agency reforms, proponents of the plan said. Prettyman stressed that it wouldn't take over investigative functions of Congress, but would devise methods for cutting agency red tape.

At the same time Prettyman said he and the other organizers of the White House Conference would have to be "guided by the advice of those who are directly concerned with the problems of transition" from Republican to Democratic administrations.

#### Landis Plans Agency Study

Specifically, that meant James M. Landis, veteran of New Deal agencies who was named by President-elect Kennedy to study the agencies and come up with a report for the new administration by Dec. 15.

Landis had been expected to attend the Washington organizing meeting Nov. 22, but he got tied up in Miami Beach where he (1) lost out in a campaign for the presidency of the AFL-CIO Air Line Pilots Assn. and (2) came down with a virus infection.

Over the years Landis has repeatedly said he favors objectives set by the Prettyman group, however. As Kennedy's expert on agencies, he will operate from a Washington office (at 1707 N St., NW) with a staff of researchers. His Dec. 15 report is expected to be a general size-up of agency problems, followed at intervals by detailed agency-by-agency recommendations.

Meanwhile, Chmn. Carroll (D-Colo.) of the Senate Judiciary Administrative Practice & Procedure Subcommittee, who has run on-&-off investigations of agency operations for the past 2 years (Vol. 16:24 p4), got back into his act again. Carroll scheduled new hearings for Nov. 29-Dec. 2 to explore such questions as: (1) "The extent to which the Commissions should be independent of executive control." (2) "The extent of control which should be exercised by Congress." (3) "The manner in which Congress should exercise that control." Among witnesses listed by Carroll: Prettyman & Landis.

Also on the Capitol Hill schedule is a full-dress inquiry into agency structure & practices by the Senate Commerce Committee. Chmn. Magnuson (D-Wash.) expects to get it under way soon after the 87th Congress convenes in Jan.

**FCC & NAB CONFER ON SPOTS:** Grass roots complaints from members, primarily radio, prompted NAB representatives to seek & obtain an audience with FCC on its spot-counting proclivities. The session ended with no minds changed, apparently.

The one-hour Nov. 15 conference was informal, all commissioners being on hand except Lee & King. FCC staff members present: James Sheridan, Harold Cowgill, Joseph Nelson & Ashbrook Bryant. For NAB: Thomas C. Bostic, KIMA Yakima, Wash., Radio Board chmn.; Merrill Lindsay, WSOY Decatur, Ill., Radio Board vice chmn. and policy committee member; plus staff members Vincent Wasilewski, John Meagher & Douglas Anello.

The NAB delegation expressed concern about FCC's practice of asking stations to justify too many "interruptions" to programming, i.e., too many spots. The Commission has been doing that when spot frequency rises to 15-to-16 an hour (Vol. 16:30 p1). The FCC reaction, in effect: (1) We believe we should do this. (2) It's nothing new; we've been doing it for years. (3) We never question a station on spot frequency alone. There are always other things—such as discrepancies in station performance compared with promises.

FCC has never revoked a license for overcommercialization, but it obviously intends to keep the pressure on. New application & renewal form under consideration (Vol. 16:46 p4) are understood to include a requirement that applicants tell how many spots they have carried in a typical week, broken down by length & by time of day—and how many they plan to carry.

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L. B. Wilson Inc.—awarded Miami Ch. 10 subject to court approval in the "influence" case against National Airlines' WPST-TV (Vol. 16:46 p8)—must avoid interfering with Largo Ch. 10, FCC ordered in a modification of its temporary authorization. And L. B. Wilson must accept any interference to its WLBB-TV, the Commission said. The FCC acted on petitions for reconsideration filed by 5 Largo applicants: City of St. Petersburg, Suncoast Cities Bestg. Corp., Tampa Telecasters Inc., WTSP-TV Inc., Bay Area Telecasting Corp.

TV frequency monitoring by stations, as ordered by FCC in a never-enforced 1955 rule, will be formally eliminated as a requirement. In a new rule-making proceeding (comments due Dec. 26), the Commission said it "believes that improved TV transmitting equipment no longer makes frequency monitors necessary and that stations can use simpler means to check their operating frequencies."

Revised AM map showing Canadian ground conductivities for use in trans-border calculations under the 1950 North American Regional Broadcasting Agreement is available from the telecommunications & electronics branch, Dept. of Transport, Ottawa, Ont. Checks for \$5 per copy should be payable to the Receiver General of Canada.

FCC last week jogged stations on its political broadcasting questionnaire, saying that many are being sent back for correction. Common defects, it said, are lack of proper signature, failure to answer all questions and obvious inconsistencies. Filings are due by Dec. 5.

Uhf translator grants: Ch. 75 & 78, for Maupin, Ore., to Maupin TV Corp. Ch. 78 & 80, for Booker, Darrouzett, Follett, Canadian & Higgins, Tex., to C. L. & O. Translator System Inc. Ch. 77, for Wallowa Valley, Ore., to Wallowa Valley TV Assn. Inc.

**FCC MEMBERSHIP SPECULATION:** Nothing definite can be detected yet on the identity of FCC's new chairman under President Kennedy or who will replace Republican Comr. King.

The safest bet remains Comr. Bartley for chief of the agency—but it isn't certain. As for the new member, nominate your own favorite—everyone else is doing it. A lot of people like Kenneth Cox, the Seattle lawyer who often helps Senate Commerce Committee Chmn. Magnuson (D-Wash.) with tough TV chores (Vol. 16:47 p4). Last week, the name of Washington attorney Harry M. Plotkin came into the picture—with considerable buzzing about it at the FCC. Plotkin wasn't available for comment but his friends believe he'd be reluctant to leave his practice. He's a former FCC associate general counsel.

Though some people were trying to work up a boom for ABC Washington vp Edgar Shelton (Vol. 16:47 p4), he said he wasn't interested.

**FCC Cancels Unbuilt UHFs:** FCC cleaned out its files, as expected, and canceled 24 uhf CPs because of failure to construct (Vol. 16:8 p2 *et seq.*). One grantee, WELI-TV (Ch. 59) New Haven, was granted an extension because it has started construction and intends to complete it, the Commission said. Also reprieved were WMCN (Ch. 23) Grand Rapids and WBMG (Ch. 42) Birmingham because of the pending rule-making which proposes vhf drop-ins for those cities.

Originally, the Commission had placed 54 grantees on notice. Most of these simply canceled out voluntarily. The balance were granted an oral argument which failed to convince the Commission that they should be kept on the books until the basic vhf-uhf allocations policy is finally settled. Comrs. Hyde & Lee dissented to the cancellations, while Comrs. Bartley & Cross dissented to the grant to WELI-TV. Here are the canceled grantees:

WNLC-TV (Ch. 26) New London, Conn.; WCBF-TV (Ch. 15) Rochester, N.Y.; WPHD (Ch. 23) & WSES (Ch. 29) Philadelphia; WOCN (Ch. 52) Atlantic City; WAZL-TV (Ch. 63) Hazleton, Pa.; WCIN-TV (Ch. 54) Cincinnati; WEHS-TV (Ch. 26) Chicago; WTVX (Ch. 48) Gastonia, N.C.; WFOX-TV (Ch. 30) Milwaukee; WJDW (Ch. 44) & WXEL (Ch. 38) Boston; WQCY (Ch. 39) Allentown, Pa.; WHCU-TV (Ch. 20) Ithaca, N.Y.; WBID-TV (Ch. 50) Detroit; WTOH-TV (Ch. 79) Toledo; WTLC (Ch. 29) Canton, O.; WHLS-TV (Ch. 34) Port Huron, Mich.; WLAN-TV (Ch. 21) Lancaster, Pa.; WRAK-TV (Ch. 36) Williamsport, Pa.; WAMT (Ch. 48) Memphis; WTMV (Ch. 54) Utica; KMPT-TV (Ch. 19) Oklahoma City; KMYR (Ch. 34) Los Angeles.

The Commission also denied applications for the replacement of expired CPs filed by KTRB-TV (Ch. 14) Modesto, Cal. & KFMX-TV (Ch. 27) San Diego.

FCC suffered a reverse on a technicality last week, when the Court of Appeals ordered the Commission to consider the protest filed by KT&G-TV (Ch. 25) Lake Charles, La. against a site move of KPAC-TV (Ch. 4) Port Arthur, Tex. The Commission had dismissed KT&G-TV's protest because it wasn't properly sworn in time. The Court noted that the FCC, in an earlier case, had allowed a late filing of a properly executed affidavit, and it concluded: "We think the Commission may, in its discretion, permit the proposed correction in the present case."

More time for comments on FCC's proposed revision of the station financial-data form (Vol. 16:45 p3) was requested by NAB last week on the grounds that its members need time to study the extensive changes. It seeks a change in deadline from Dec. 9 to Feb. 1.

**KVOS-TV (Ch. 12) Bellingham, Wash.**, which serves Vancouver, B.C., has been bought for \$3 million by Wometco Enterprises (WTVJ Miami, WLOS-TV Asheville, N.C. & 47.5% of WFGA-TV Jacksonville). Prudential Insurance Co. loaned Wometco \$2 million for the acquisition. The sale is subject to an Internal Revenue Service ruling sought by KVOS-TV principal owner Rogan Jones. Broker was Blackburn & Co.

## Foreign

### More about

**USIA TV SURVEY:** The list of foreign TV stations & sets-in-use compiled by USIA (see p. 4) jibes quite well with our own independently compiled directory in the new Fall-Winter TELEVISION FACTBOOK. Our comparable list, printed in these pages Sept. 12 (Vol. 16:37 p20), showed 40,360,224 sets-in-use and 1,383 foreign stations as of Aug. 1. Deducting the Canadian sets & stations from these figures (which the USIA list does not include), our survey indicated 37,520,224 sets & 1,313 stations Aug. 1, while USIA's list shows 38,650,000 sets, 1,353 stations as of Oct. 1—demonstrating remarkable consistency and helping to confirm both sets of figures.

The USIA list of stations & sets-in-use as of Oct. 1:

COUNTRY	STATIONS	SETS	COUNTRY	STATIONS	SETS
<b>Western Europe</b>			<b>Near East, South Asia &amp; Africa</b>		
Austria .....	17	167,600	Algeria .....	4	43,500
Belgium .....	5	422,400	Bahrein <sup>4</sup> .....	—	1,000
Denmark .....	10	438,000	Cyprus .....	1	3,000
Finland .....	14	67,200	Ethiopia <sup>1</sup> .....	—	1,000
France .....	83	1,800,000	India .....	1	300
West Germany ..	215	4,204,800	Iran .....	2	35,000
Iceland <sup>2</sup> .....	—	700	Iraq .....	1	20,000
Ireland <sup>2</sup> .....	—	70,000	Kuwait <sup>5</sup> .....	—	600
Italy .....	386	2,200,000	Lebanon .....	2	15,000
Luxembourg .....	1	5,500	Libya <sup>1</sup> .....	—	1,600
Malta <sup>3</sup> .....	—	7,000	Nigeria .....	2	2,500
Monaco .....	1	11,000	Qatar .....	—	300
Netherlands .....	7	688,800	Saudi Arabia .....	1	4,000
Norway .....	5	20,000	Turkey .....	1	1,000
Portugal .....	5	38,600	United Arab Republic .....	2	40,000
Spain .....	6	270,000	Total .....	17	168,800
Sweden .....	35	1,000,000	<b>Far East</b>		
Switzerland .....	14	110,900	Australia .....	16	1,067,400
United Kingdom ..	34	10,568,700	Hong Kong .....	(1) <sup>4</sup>	5,500
Yugoslavia .....	8	16,000	Japan .....	107	5,884,900
Total .....	846	22,107,200	Korea (South) ..	17 <sup>7</sup>	8,000
<b>Latin America</b>			New Zealand .....	1	—
Argentina .....	3	500,000	Okinawa .....	2	—
Brazil .....	19	959,200	Philippines .....	4	37,000
Chile .....	2	500	Thailand .....	2	50,000
Colombia .....	9	150,000	Total .....	133	7,052,800
Costa Rica .....	1	2,000	<b>Communist Bloc</b>		
Cuba .....	24	500,000	Bulgaria .....	1	3,000
Dominican Rep. ..	4	13,000	Czechoslovakia ..	14	750,000
El Salvador .....	2	20,000	East Germany ..	39	809,700
Guatemala .....	2	20,000	Hungary .....	7	80,000
Haiti .....	1	1,500	Poland .....	20	311,000
Honduras .....	1	1,000	Rumania .....	2	22,000
Mexico .....	21	800,000	USSR .....	159	4,000,000
Netherlands Antilles .....	—		China .....	6	20,000
(Curacao) .....	1	3,000	Total .....	248	5,995,700
Nicaragua .....	1	4,300			
Panama .....	1	25,000			
Peru .....	5	60,000			
Uruguay .....	1	15,000			
Venezuela .....	11	250,000			
Total .....	109	3,824,500			

<sup>1</sup>Tune to Armed Forces stations.

<sup>2</sup>Tune to U.K. stations.

<sup>3</sup>Tune to Italian stations.

<sup>4</sup>Tune to Arameo station, Dharam, and to Armed Forces station.

<sup>5</sup>Tune to Iran TV, Abadan.

<sup>6</sup>Closed circuit station.

<sup>7</sup>Off air due to fire.

## Advertising

### More about

**LOCAL SALES SUCCESSES:** Our own mail survey of TV outlets in the U.S. & Canada proves again that there's more to buying spots than seeking big ratings. Smashing sales impact—overnight sales results in local-level TV—are not merely a memory, a phenomenon of TV's earliest days. They still happen—and frequently—for all types of sponsors (see p. 3).

The report below is the first of a series (by category) drawn from questionnaires which asked each station for its "most successful case history of advertiser results." In this initial report, we cite some representative examples of sales success for a major advertising category—autos & auto supplies. In future issues, we will present other success stories for other types of spot-TV advertisers.

Although cars—even used cars—represent a comparatively "big ticket" consumer purchase, auto dealers have long found TV an effective ad medium, producing big, direct and traceable results.

**KABC-TV Los Angeles** has listed Brand Motors-Ford City as a "constant advertiser" for nearly 3 years. One of Los Angeles' largest auto dealers, Brand recently informed KABC-TV that it attributed 90% of its sales volume to local-level TV advertising (largely Sat.-Sun. saturation campaigns in morning & afternoon periods).

**CFCM-TV Quebec**, a French-language outlet, solved a poor-location problem for Tanguay Automobiles, a Dodge-DeSoto dealer. Tanguay's showroom is across the St. Lawrence River from Quebec's 350,000 city population. Non-TV ad media had failed to deliver much in the way of new auto prospects. Then Tanguay, in 1958, took a chance on TV, buying a 15-min. travel show, *La Rose Des Vents*, which stressed the pleasures of motor travel (in, of course, a new Dodge or DeSoto). A contest promotion on the program brought in "over 2,000 customers."

### Short-Term Campaigns Sell Cars, Too

**WREX-TV Rockford, Ill.** also proved that short-term campaigns can sell autos successfully. Forrest Hills Motors, a regular sponsor of the station's Fri.-night feature movie, recently staged a 60-hour local "Sell-A-Thon," and backed it with a heavy TV campaign. Results, according to Robert White, gen. mgr., Forrest Hills Motors: "We wrote 49 new-&-used-car deals. More than 90% of them were obtained from the audience of WREX-TV. I cannot praise the power of TV enough."

**CKVR-TV Barrie, Ont.** turned in a job for Hanna Motor Sales Ltd., a Ford-Monarch dealer in nearby Stayner and Collingwood. Reported CKVR-TV: "Hanna began advertising on our station in Jan. 1956. In his first 6 months, Doug Hanna stated his sales had increased by 200% and that TV was bringing customers to his locations in greater number than if his sales staff were out beating the bush. He has increased his TV budget every year, and he is currently running three 60-sec. spots per week, to which are added saturation campaigns from time to time."

Other auto successes: **WWL-TV New Orleans** sold part-sponsorship of *Tombstone Territory* reruns to a local Buick dealer in prime time, and in 2 weeks the show had sold over 80 new cars. **WCAU-TV Philadelphia** has counted Reedman Motors as a regular participation sponsor of its feature-film *Early Show* and *Late Show* for the past 3 years, now reports that "a high percentage of the transactions for new & used cars is directly traceable to advertising on WCAU-TV." **WEAT-TV West Palm Beach, Fla.**

so convinced Wayne Akers Ford Co., a local dealer, of the value of auto selling by TV that Akers' spending on the station "increased from \$100 to \$750 weekly, and moved more cars than was necessary to justify this increased budget." **WCKT Miami** sold a local sports program to a used car dealer—and promptly sold 11 used cars with the first show (considerably more than the cost of the kickoff).

In a related field: **KGW-TV Portland, Ore.** sold sponsorship to U.S. Rubber Corp. (for Royal Tires) of a 30-min. station-produced, film-&-live series on fishing & hunting. During the colorcast series, U.S. Rubber offered a giveaway of fishing lures at 3 different local dealers each week. One dealer sold 10 new tires the following morning as a direct result, and other dealers reported lines of customers waiting to get the free fishing lures—and to buy U.S. Royal Tires. Now in its 3rd year, the show is being considered by U.S. Rubber for expansion to other markets. **WALB-TV Albany, Ga.** sold the syndicated *Border Patrol* series to the local Amoco distributor, who soon thereafter reported to the station that he was having trouble keeping dealer tanks filled with Amoco "because of the great demand."

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Sponsors, of course, seldom drop a show that's riding high in the rating lists. CBS-TV therefore was considerably surprised last week when notified that Pet Milk Co. was canceling before mid-season its alt.-wk. sponsorship of *The Red Skelton Show* (Tue. 9:30-10 p.m.) which has been a fixture of the Nielsen "top 10." Pet Milk gave no reason, but there was little trouble finding a customer. As soon as co-sponsor S.C. Johnson was notified of Pet Milk's decision, the wax firm doubled its budget for the program to move up to full sponsorship. Johnson has co-sponsorship of 4 other shows on CBS-TV this season (*Angel*, *Zane Grey Theater*, *Garry Moore Show*, *Ann Sothern Show*), is now one of the network's biggest customers.

New "spot TV cost summary" has been published by rep Katz Agency. The 28th in a semi-annual series, the booklet is designed to aid timebuyers in making quick estimates of spot TV costs "in as many as 230 markets." Market-by-market rates are listed—grouped in descending order of market size, starting with N.Y.—for a variety of basic spot TV purchases. These include: nighttime 30-min. slots, 20-sec. announcements; daytime 60-sec. & 20-sec. announcements on a one-time, 6-plan and 12-plan basis; and late-night announcements on similar plans. Copies are available without charge from Katz at 666 Fifth Ave., N.Y.

Sunday afternoon is prime time with a low cpm, reports a new TV Advertising Representatives Inc. survey. Distributed to advertisers & agencies last week, the TvAR study is based on viewing habits in Westinghouse's 5 major markets from noon to 6 p.m. Sunday. Major findings: 68% of TV families watch TV during this period. Viewing ranged from 2 hours in San Francisco to 3 in Pittsburgh & Boston. Programming delivers a family audience (220 viewers per 100 homes). Cost comparisons showed: 5-market average for a Sunday schedule of 20-sec. spots was \$1.31 per-1000-homes, against \$2.70 for prime night spots.

Ad industry will sell advertising during the industry's first national all-media campaign. The project, launched by the Advertising Federation of America and the Advertising Assn. of the West is scheduled to be launched during National Advertising Week, Feb. 5-11. It will be sustained throughout 1961. The theme, "Let's Keep Rolling Ahead," will play up the cycle of "advertising - mass demand - mass production," stated NAW Chmn. George W. Head. McCann-Erickson is preparing the campaign format.

**Advertising Protests Mount:** Complaints from dissatisfied customers & competitors about deceptions in advertising are pouring into FTC at a rate of 5,000 per year. More than a third of them are serious enough to warrant formal citations for violations of law.

In fiscal 1960 alone, 346 anti-deceptive practice complaints were issued by FTC after staffers had checked 5,000 separate complaints. The number of cases instituted then was 28% higher than in fiscal 1959 & 1958—and those years had set "records, constituting a startling increase."

This picture of the state of advertising today was drawn for a Sales Executive Club meeting in Binghamton by FTC's associate exec. dir. Basil J. Mezines, who said advertisers could turn the tide of complaints by using these "common-sense rules of thumb:"

(1) "Advertisements must be considered in their entirety and as they would be read to whom they appeal."

(2) "Advertisements are not intended to be carefully dissected with a dictionary at hand, but rather to produce an impression upon the ordinary purchaser."

(3) "Advertisements as a whole may be completely misleading although every sentence separately considered is literally true."

(4) "Whether or not the advertiser knows the representations to be false, the deception of purchasers and the diversion of trade from competitors is the same."

(5) "A deliberate effort to deceive need not be proven to prohibit the use of advertising which misleads as an unfair method of competition or deceptive act or practice within the meaning of the Federal Trade Commission Act."

(6) "Laws are made to protect the trusting as well as the suspicious."

(7) "Advertising representations which are ambiguous will be interpreted in such a way as to accomplish the purpose of the Federal Trade Commission Act, which is to prevent the making of claims which have the tendency & capacity to deceive."

Mezines also warned against "6 sucker signals" which are practically guaranteed to arouse suspicions of FTC Chmn. Earl W. Kintner: "Buy now or lose the chance . . ." "You have been specially selected . . ." "It's only a legal form . . ." "Just a few easy lessons . . ." "You can save up to . . ." "Yours absolutely free . . ."

Mohawk Carpets returned to national TV advertising last week—after an 8 year absence. Reasons (as outlined in a Nov. 18 *Printer's Ink* study): The need to sell people on the "concept of carpeting" once again; to present a homey family approach through the medium of the right TV program; to generate dealer enthusiasm with sponsorship of a one-shot TV special; to reach "quality" audiences. Mohawk chose a 60-min. NBC-TV Thanksgiving Day color special, "No Place Like Home," for the re-entry.

Song-recording racket has been alleged by FTC in a false-advertising complaint against Star-Crest Recording Co. (Stephen F. Singer), 1350 N. Highland Ave., Hollywood. Said FTC: "Mr. Singer does not pay royalties as advertised to those whose songs are accepted. In reality . . . the writers subsidize production of records containing their songs plus a profit to Mr. Singer."

**Ad People:** Bernell Grossman, formerly CBS-TV, named Compton TV-radio supervisor; Andrew F. H. Armstrong named a vp . . . William Chalmers joins Compton Advertising Inc. Los Angeles as vp-account supervisor . . . Dr. Carl H. Rush elected a Ted Bates vp.; Zachary Schwartz, TV creative dept. supervisor, named a vp.

**Quality-vs.-Quantity:** A verbal clash between two admen whose TV programming philosophies have long been in opposition enlivened the 2nd time-buying & -selling seminar staged by RTES in N.Y. Nov. 22. Defending the position of quality programming as an environment for TV commercials was Fuller & Smith & Ross senior vp Arthur Duram. Upholding the circulation-is-the-main-thing philosophy was Filmways pres. Rodney Erickson, onetime Eastern sales vp for Warner Bros. TV. Highlights of the duel:

"Mediocre shows do not command a high degree of viewer attention," said Duram of bread-&-butter shows, "and cpm should measure 'minds' as well as 'bodies.' A huge audience is useless with a low level of attentiveness."

Erickson held out for a more fundamental approach. "Basically people don't care a hoot for your product whether it's on a crumby Western or a high-class documentary. You have to shock them, use bongo drums, push them into a corner until they will listen. Quantity is the only path to efficiency."

That didn't stop Duram. Said he: "Every bored viewer spells waste for the advertiser. If the rating is lower, but the audience is interested, the cpm drops. The advertiser must be assured of a stimulated audience."

Erickson's parting shot: "This may be true . . . but the thing to improve is the commercial, not the show. Agencies should butt out of the production aspect and leave it to the producers. The only way to improve the quality of TV programming is to spend more money—and this the medium can't afford. TV is a commercial venture—not a selective medium. Companies like U.S. Steel and Aluminum Ltd. have no business in TV. It's pure waste for them. They should advertise in *Fortune* or *The New Yorker*."

Switch to low-pressure TV tactics by Mutual of Omaha features "Uncle Moo," a humorous spot-commercial character who sells the health-&-accident insurance salesman rather than the insurance. "Uncle Moo" was so successful in a San Francisco test that Mutual is expanding its spot campaign to 16 additional stations.

## Educational Television

TV-teaching techniques and other audio-visual classroom aids will be studied by the National Education Assn. under an 18-month \$102,980 contract with the U.S. Office of Education. The survey, latest to be authorized under Sec. VII of the National Defense Education Act (Vol. 16:28 p13), will be directed for NEA by James D. Finn of the U. of Southern Cal. A panel of specialists for the project will include C. R. Carpenter, Pa. State U.; Edgar Dale, Ohio State U.; Arthur W. Foshy, Columbia U.; Charles F. Hoban, U. of Pa.; A. A. Lumsdaine, U. of Cal. at Los Angeles; Lindley Stiles, U. of Wis.; Fred F. Harclerode, Alameda State College, Hayward, Cal.; Robert S. Gilchrist, Webster Grove, Mo.; Anna Hyer, NEA.

Educational WHYY (Ch. 35) Philadelphia, seeking Ch. 12 Wilmington, is getting a financial assist from the Philadelphia Home & School Council, which represents 180,000 parents of public school children. WHYY will make its oral presentation to FCC on Jan. 10, and the Council has initiated a drive to raise funds so that the station "can present the best possible case," reports WHYY dir. & ex-Council Pres. Mrs. H. Gilbert Wilson. She said the hearings would require considerable money—estimated by WHYY managing dir. Richard Burdick at \$50,000-to-\$100,000—and the station is appealing to parents.

## Film & Tape

**GLOOM OVER HOLLYWOOD:** That thick pall of gloom over Hollywood's TV film industry is caused by the fact that predictions that this would be a lackluster season appear to be coming true (Vol. 16:41 p9).

Most executives & producers we checked last week took a dim view of the quality of this season's product, particularly the new entries. The consensus is that at least 40 series will be axed by season's end. Four Star Television exec. vp Tom McDermott predicted 50% would be canceled, including 70% of the new starters.

It is believed that the axe would fall earlier were it not for the facts that (1) most series go into production with minimum commitments of 13 or 26 episodes, (2) it is not easy to find a film replacement in mid-season, and (3) sponsors shy away from mid-season starts.

Executives we talked to were generally inclined to blame the networks for the quality of programming this year, giving the much-maligned sponsor a break for a change. They said that the networks adopted a "take charge" attitude toward programming last spring, in the wake of the FCC investigation, but they had then proceeded to put their worst foot forward. Result: A mass of look-alike shows which on the whole have failed to capture viewer attention, they contend.

It's the contention of the creators & businessmen of the industry that they are best qualified to determine which types of series should be on TV, yet they have little or no say about it. Their attitude was perhaps best expressed by Alliance of Television Film Producers Pres. Richard Jencks, while testifying at the October FCC hearing in Los Angeles. Jencks, utilizing TELEVISION DIGEST's pilot roundup for his reference, testified that production companies made 200 pilots available to buyers last spring, but that they cannot tell sponsors & agencies what to buy (Vol. 16:43 p8).

### Can't Sell Unless In the Mold

It is a fact of life, he pointed out, that while the production companies do seek to present a balanced pilot diet, few shows make the grade unless they're in the mold of something already on TV. Last year the only exception to the rule was Rod Serling's offbeat series, *Twilight Zone*. This year, tradesters are hard put to think of even one exception. All producers ask is that buyers sample more of their wares.

Having mentally written off this season, the insiders are concentrating on next year. Aware of the same pitfalls to be faced, they express the hope that somehow the networks will not call all the shots in the next buying season. Some are optimistic that the FCC investigation, disclosing the extent of network control & influence, will deter the networks from being so forceful. (Irony: Among executives who expressed this hope were some who backed away from the FCC hearing, confiding that they did not want to testify, for fear of network reprisals.)

In any event, the new season has provided a few promising entries—albeit fewer than usual: *My Three Sons*, the Don Fedderson-produced comedy starring Fred MacMurray; *The Andy Griffith Show*; Revue Studio's *Checkmate* and *The Tall Man*; and, to a lesser degree, Hubbell Robinson's *Thriller*.

Hollywood has, since the beginning of TV film, pleaded for a voice in programming aside from that of providing the merchandise. Realists acknowledge that the buyers & networks have the say, but they contend that this power

has been abused, and the play-it-safe attitude can bring only further troubles for the industry.

Meanwhile, the process of turning out canned mediocrity has not exactly helped the morale of those who work in the industry in Hollywood. One studio production chief (who was among those who solemnly told the FCC how his company specialized in quality product) is termed, even by his closest associates, "the messiah of mediocrity." There are a few others like him—but not many.

With the expectation of a heavy casualty rate, companies are proceeding with pilots faster than usual.

### More about

**SAG OKAYS COMMERCIAL STRIKE:** Chances for a Screen Actors Guild-AFTRA strike against the TV networks, ad agencies and producers of filmed & taped commercials rose last week when SAG's membership voted 4,369 to 549 to authorize such action (p. 2). AFTRA membership had previously given its executives similar authority. The only SAG strike vs. producers of commercials occurred on Dec. 1, 1952, over the issue of establishing the principle of "use" payments. The strike ended Feb. 18, 1953, with the Guild winning.

Chief effect of the AFTRA-SAG strike at the network level would be in daytime TV, since more than 80% of nighttime programming is built around non-affected telefilm shows. Most of the pre-5 p.m. NBC-TV schedule has taped or live shows (*Dave Garroway Today* show, *Dough Re Mi*, *Play Your Hunch*, *The Price Is Right*, *It Could Be You*, etc.). Much of CBS-TV's daytime lineup is non-film (*Video Village*, *The Brighter Day*, *The Verdict Is Yours*, Art Linkletter's *House Party*, etc.). ABC uses a lot of film reruns in daytime, but has taped shows, too (*Queen for a Day*, *About Faces*, *Day in Court*, *American Bandstand*).

All 3 networks plan to use off-the-shelf film shows, several of a vintage variety, to fill most of the gaps. Chief source of such film shows will be network-owned syndication subsidiaries (ABC Films, CBS Films, Cal. National Productions). Taped shows will use repeat episodes. Shows that are inherently live, such as newscasts, will use news dept. executives & other non-union stand-ins.

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Writers Guild of America has named its representatives on the TV film industry fact-finding committee. At the same time WGA West exec. dir. Michael Franklin, who had resigned (Vol. 16:32 p5), reconsidered & has been signed to a new 2-year contract. Morgan Cox is WGA's paid, permanent member of the industry committee, with David Harmon and Sam Newman the other WGA representatives. Purpose of this committee is to arrive at a mutually agreeable format by which writers will receive a royalty on global gross, as provided in contracts with the Alliance of Television Film Producers and the Assn. of Motion Picture Producers.

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Warner Bros. and James Garner appeared in Los Angeles Superior Court Nov. 25, but there was no action. Judge Arnold Prager continued the case to Nov. 28, in order to study briefs presented by attorneys for each side (Vol. 16:47 p13).

WNEW-TV N.Y.'s 60-min. special, "Winston Churchill: The Finest Hours," will go into syndication following its Dec. 12, 9-10 p.m. N.Y. telecast. Banner Films has exclusive distribution rights to all WNEW-TV local film specials.

**SAG Gets Record \$6.5 Million:** Screen Actors Guild Pres. George Chandler disclosed last week that in the year ended Oct. 31, SAG collected & distributed a record \$6.5 million for TV reruns, movies sold to TV and claims against producers for contract violations. Of this sum, \$5.3 million was in TV residuals (a high mark for rerun revenue, bringing the total since Dec. 1953 to \$16,386,425). Actors received \$807,000 as compensation for movies sold to TV, and another \$390,000 was for claims collected for violations of contract.

SAG showed a deficit of \$104,000 for the year ended Oct. 31, having \$634,000 in income & expenses totaling \$738,000. This has reduced the surplus to \$678,000. A special committee has been named to study the question of overhauling SAG's dues structure, with a dues hike in prospect. Actors' revenue has increased, and the cost of handling residuals has gone up each year.

Elected were George Chandler, pres.; Dana Andrews, first vp; James Garner, 2nd vp; John Litel, 3rd vp; Ann Doran, recording secy.; Frank Faylen, treas. Elected to the board: Warner Anderson, Chick Chandler, Ann B. Davis,

Eduard Franz, James Gonzales, Charlton Heston, Robert Keith, Louise Laureau, Jock Mahoney, Richard Montalban—all for 3-year terms. Also Roger Smith, 2-year term; and Rosemary De Camp, Buddy Ebsen, Pauline Myers, Jane Powell, for one-year terms. Ernest Chappell, Humphrey Davis, Ron Rawson and Luis Van Rooten were national board members elected to represent the N.Y. branch of the Guild.

Actors were given the details of their recently negotiated health & welfare plan, to be financed by producers. Martin Segal, consultant for the SAG plan, said that effective Jan. 1, 1961 a major portion of doctor & hospital bills will be paid for Guild members & their families. There will also be substantial life insurance & accident insurance coverage. Any actor earning as little as \$1,000 a year will be eligible. Chandler estimated that movie producers will contribute a minimum of \$1.65 million a year to the plans. Under the contract SAG has an optional rerun royalty system, under which 8% of the distributors' gross in perpetuity would be divided among actors in film TV shows.

SAG's membership now is 13,685—an all-time high.

## NEW YORK ROUNDUP

ITC formed a new division last week—Javelin Productions—to handle the recently acquired assets of sports production & distribution firm Heritage Productions (Vol. 16:46 p10). Javelin's sales operations will be headed by former World-Wide TV gen. sales mgr. Mell Schlank. From World-Wide, Javelin has acquired 2 properties for syndication: *National Football League Presents*, 26 hour long games; *Women's Major League Bowling*. Heritage packages to be marketed by JP include: *Campy's Corner*, *Golf Tips of the Day*, *Magic Moment in Sports*.

Proposed standards for TV-tape recording have been approved by SMPTE's video-tape & standards committees. They are: VTR 16.2, dimensions of tape; VTR 16.5, audio records characteristics; VTR 16.6, dimensions of video, audio & control records; VTR 16.8, speed specifications. SMPTE also is offering its recommended practice RP5, dealing with patch splices in video tape. Copies of standards and the recommended practice are available from SMPTE, 55 W. 42nd St., N.Y. 36.

WNTA-TV N.Y.'s "The Iceman Cometh" (Part 1) featured on *Play of the Week* Nov. 14-20 drew an Arbitron of 31.3. On the basis of this total rating for 7 exposures, WNTA-TV estimated that the O'Neill play was viewed in 1,430,000 homes by 2,860,000 people. The rating placed "Iceman" among the top 10 in the N.Y. market last week. *Gunsmoke* led the list at 39.0.

John Daly, who quit his job as ABC News vp (Vol. 16:47 p3), will be married Dec. 22—to Virginia Warren, daughter of Chief Justice Earl Warren. Their engagement was announced formally in Washington Nov. 25. A small family wedding will be conducted in San Francisco while the Warrens are on their annual holiday trip home to Cal. A reception will be held in the Fairmont Hotel.

## Obituary

Robert H. Reid, 52, Telenews gen. sales mgr., died Nov. 23 at his home in N.Y. after a short illness. He was formerly sales mgr. for INS and was instrumental in the news service's 1945 pioneer efforts in TV news. His wife survives.

## HOLLYWOOD ROUNDUP

Four Star Television is planning a minimum of 5 pilots, may do 10. It has already filmed 2 pilots—*The Freshman*, a comedy starring Gertrude Berg and Cedric Hardwicke; *McKeever & the Colonel*, a comedy starring Dennis Joel, Allyn Joslyn, John Gabriel and Virginia Gibson, with exec. vp Tom McDermott functioning as producer. Being considered are pilots for an untitled comedy starring Jane Powell, a comedy-adventure starring Esther Williams, an adventure series starring Rossano Brazzi (Sy Gombberg, producer), *The Shrimp* (animated cartoon), and *The Sea Rover* (adventure).

Skelton Studios last week began taping Red Skelton's Nov. 30 Timex special for CBS. Its cast includes Skelton, Frank Sinatra, Dinah Shore, George Raft, Bobby Rydell and William Demarest.

Revue Studios has made a 20-min. film presentation of a new comedy-Western project starring Mickey Rooney. Revue has also filmed a pilot of *The Rangers*, an action show starring Jock Mahoney, produced by Al Ruddy.

Screen Gems will pilot *The Insider*, starring David Janssen. William Sackheim is producer.

One Step Beyond Productions begins filming episodes of its *Alcoa Presents* series in Portugal, Denmark, Spain, France and Ireland in December.

Hennesey Co., in which Jackie Cooper and Don McGuire are partnered, has filmed *Charlie Angelo*, a comedy-adventure pilot starring Jimmy Komack & Larry Storch.

Warlock Inc. has bought Academy sound stage for approximately \$300,000, planning to operate it for rental & its own productions.

Roncom Productions and producer Stanley Roberts will co-produce *Where Did You Go? Out. What Did You Do? Nothing.*

Marterto Productions, Danny Thomas's company, will film several pilots, one to star Joey Bishop.

Howard Alston has been named production mgr. of CBS Films Hollywood office.

## Programming

**HOW SHOW TYPES RATE:** The rating curse which descended on quiz & audience participation shows in the wake of last fall's scandals has, apparently, been lifted. This fall they have increased in AA level 25.8% as compared with last. That's one of the highlights of the chart below, prepared for us by A. C. Nielsen Co. It covers the rating behavior of nighttime TV's basic program fare by category, as reported in the 2nd NTI reports for Oct. 1959 & 1960, and notes both percentage changes and shifts in the number of such shows on the air. Ratings have been adjusted by Nielsen to reflect 1960 changes in audience base.

NIGHTTIME TV PERFORMANCE BY PROGRAM TYPES  
(2nd October NTI)

Type	Mins.	1960 Nielsen		1959 Nielsen		% Change
		Avg.	Aud.	No. of Pgm's	Avg.	
General Drama .....	30	15.5	4	19.8	5	-21.7
General Drama .....	60	14.9	4	18.5	4	-19.5
Suspense-Mystery ....	30	15.4	8	15.1	14	+2.0
Suspense-Mystery ....	60	19.1	11	16.9	8	+13.0
Situation Comedy ....	30	18.0	24	19.0	16	-5.3
Western .....	30	21.4	12	20.5	20	+4.4
Western .....	60	23.0	8	22.8	8	+0.9
Adventure .....	30	11.9	2	10.2	4	+16.7
Variety .....	30	21.3	5	15.1	13	+41.1
Variety .....	60	19.6	12	21.0	10	-6.7
Quiz & Aud. Part. ....	30	19.5	7	15.5	10	+25.8
Other Programs .....	30	9.8	12	12.2	6	-19.7
ALL EVENING .....	30	17.0	24	16.9	88	+0.6
ALL EVENING .....	60	18.8	43	19.2	36	-2.1

Other significant changes:

**Variety Shows:** Although the number of 30-min. shows in this category has dropped since last year from 13 down to 5, the survivors are in healthy shape. Sparked by such successful veterans as Red Skelton and Tennessee Ernie Ford, the shorter variety packages have scored the largest percentage rating gain for a program type: 41.1%.

**Westerns, drama:** Although some individual Westerns (such as *Riverboat* & *Wichita Town*) have been axed, Westerns remain a strong force. There's been a small increase (up 4.4%) in the AA level of all 30-min. Westerns, partially because the number has been trimmed considerably (from 20 down to 12 shows) and the strongest have survived. Longer Westerns are holding their own. Straight dramatic shows, however, have slipped. The 30-min. dramatic packages are down 21.7% and the 60-min. dramas are down 19.5%.

**Situation comedies:** Although 1960 has been heralded as a major season for comedy, the addition of 8 new 30-min. situation comedies to last year's total of 16, giving a bumper 1960 crop of 24, hasn't helped average performance. As a program type, 30-min. situation comedies are rating 5.3% lower this season, on the average, than they did last year.

**All evening shows:** Fewer in number this season, 30-min. evening programs are doing slightly better in AA level than they did last season. More numerous (because of several new program entries on NBC-TV & CBS-TV), the average evening 60-min. show is drawing a rating lower than last year (down 2.1%) largely because of the battle for audience among longer program rivals, and a general narrowing of rating gaps between the networks at night.

From the standpoint of total viewing, Nielsen's findings for the 2nd two weeks of October show a pickup of 15 minutes of viewing in average hours of watching per day, per TV home. The figure is 5 hours, 13 minutes—which represents a gain of a quarter of an hour over October 1959's 4 hours, 58 minutes.

Final postscripts to TV debates came from NBC Chmn. Robert W. Sarnoff Nov. 21 in one of his periodic open letters to TV-radio editors. The Nixon-Kennedy clashes, Sarnoff felt, were "a key factor in the heaviest registration and the largest voter turnout in the nation's history." Reviewing the objections raised by critics to the debates ("directed mostly at the format . . . the only one the candidates themselves would accept") and charges that they were conducted in a circusy atmosphere, Sarnoff stated: "I think the advantages of the panel format for the Great Debate far outweigh the shortcomings. I hope that even those who differ with me will agree that the answer is not to go back to the clambake & the torchlight parade....Any one of these programs offered the voter a far more solid basis of judgment than any number of rousing 8-minute speeches from the rear of railroad trains, or the exhortations at a party rally or the necessarily one-sided television talks given by each candidate alone." Sarnoff added that a telegram from President-elect Kennedy praising the debate series (which Kennedy called "a notable public service") was a good omen for a 1964 debate series.

But "Great Debate" in 1964 on TV is unlikely, UPI White House reporter Merriman Smith told the Tenn Bstrs. Assn. at a Memphis meeting. If John F. Kennedy runs again for President and is challenged by the Republican nominee, "you'll hear a polite comment that the President does not debate," Smith said. "If you are on top, you just don't build up the challenger." As for this year's TV series, Smith said he thought the debates won the race for Kennedy. The White House correspondent criticized Vice President Nixon's advisors for devoting too much time & argument to backstage problems of lights & studio temperature because of Nixon's "tendency to sweat."

"You, the public, are to blame!" is the title of Hubbell Robinson's piece on programming in the Nov. 26 issue of *TV Guide*. After pointing out the obvious but seldom stated fact that the public gets what the public wants, the producer nevertheless goes on to point out the responsibility of those who turn out TV programs: "The most effective use of TV requires that its creative talents accept the need to be popular. It should not be too heavy a burden. In their own way, in their own time, Aristophanes, Dickens, Ibsen, Fitzgerald, Wilder, Marquand and Faulkner have managed it. All of them are message writers. All of them are good writers. All of them are popular. They would seem reputable company to keep."

Canon 35 ban on camera & microphone coverage of courtrooms has been reaffirmed by the Okla. Supreme Court, which adopted the American Bar Assn. rule last year (Vol. 15:41 p11). Rejecting protests by NAB, Okla. Press Assn., and individual newspapers & stations in the state, a Supreme Court order written by Chief Justice Denver Davison said: "All petitions for rehearing & motions for oral arguments denied." The order meant that attorneys for the media will have no chance to argue their case against Canon 35.

Broadcaster-bar relations, including a report on camera-&-microphone coverage of trials under the American Bar Assn.'s Canon 35 (Vol. 16:36 p7), are on the agenda of the Dec. 8 sessions of NAB's Freedom of Information Committee in Washington. The Committee is headed by Frank P. Fogarty (Meredith stations).

Taped TV & radio service on "every major news break in the world" is offered by Jeff St. John's Point of Origin Inc., starting Jan. 3. The new service operates from the Senate radio & TV correspondents' gallery.

## Networks

**ABC-TV TASTES FIRST PLACE:** ABC-TV was as happy as a chorus girl with a gift certificate to Cartier's last week. For the first time in the network's history, ABC stood higher in the nighttime Nielsen AA ranks than CBS-TV or NBC-TV. (For network standing previously, see Vol. 16:47 p3.) It was total victory on the basis of 7:30-11 p.m. Mon.-Sat., 6-11 p.m. Sun. in the 1st of Nielsen's Nov. NTI reports.

This was the AA scorecard: ABC—18.6; CBS—17.8; NBC—17.5. By nights of the week, ABC led on Mon., Tue., Thu. & Fri. nights. CBS had the edge on Sat. & Sun. NBC led on Wed. Several ABC shows moved up in the rating ranks: Of the first 15 Nielsen shows (in terms of AA), ABC had 6, CBS had 6 and NBC had 3.

There was less chagrin than you'd expect at NBC and CBS concerning ABC's victory, however. One NBC research executive, for example, told us: "We expected ABC to come up on top in this report, and advised our management." NBC and CBS had a fact & theory explanation.

The fact: During the period covered by the report (the 2 weeks ended Nov. 6), CBS and NBC each had twice as many 30-min. paid political telecasts as did ABC (4 shows apiece for NBC-CBS, vs. 2 for ABC), more political affairs specials, and more 5-min. capsule political telecasts. The theory: Introduction of political shows into NBC and CBS nighttime schedules may have served a major public purpose, but they "disturbed the normal flow of audience into, or from, other programs," NBC and CBS researchers claim.

### NETWORK SALES ACTIVITY

#### ABC-TV

Network participations in various shows, total of \$4 million.  
*Wrigley Gum* (EWR&R)

*Hawaiian Eye*, Wed. 9-10 p.m., participations eff. Jan. 11.  
*Whitehall Laboratories* (Ted Bates)

*The Law & Mr. Jones*, Fri. 10:30-11 p.m., part. eff. Jan. 6.  
*General Foods* (Ogilvy, Benson & Mather)

*Naked City*, Wed. 10-11 p.m., participations eff. Jan.  
*Warner-Lambert* (Lambert & Feasley)

*The Roaring Twenties*, Sat. 7:30-8:30 p.m., part. eff. Jan.  
*Warner-Lambert* (Lambert & Feasley)

#### CBS-TV

*Roy Rogers*, Sat. 11:30 a.m.-12 noon, full spon. eff. Jan. 1.  
*Nestle* (McCann-Erickson)

*Ringling Bros., Barnum & Bailey Circus*, April, full spon.  
*Top Value Stamps* (Campbell-Mithun)

*Palm Springs Golf Classic*, Feb. 4 & 5, half sponsorship.  
*Minnesota Mining & Mfg.* (EWR&R)

*The Red Skelton Show*, Tue. 9:30-10 p.m., full spon. eff mid-Feb.  
*Johnson's Wax* (Foote, Cone & Belding)

#### NBC-TV

*There's No Place Like Home*, Thu. Nov. 24, 5:30-6:30 p.m.,  
full sponsorship.  
*Mohawk Carpets* (Maxon)

*Sugar Bowl Game*, Mon. Jan. 2, participations.  
*B. F. Goodrich* (BBDO); *Wynn Oil*  
(EWR&R); *Colgate-Palmolive* (Ted Bates);  
*Schick Safety Razor* (Compton); *Whitehall Laboratories* (Ted Bates)

## Stations

**NEW & UPCOMING STATIONS:** WTVI (Ch. 19) Fort Pierce, Fla. began programming Nov. 23 with CBS-TV. It is the 23rd outlet to start this year, and raises the U.S. operating totals to 579 (92 uhf). WTVI has a 12-kw GE transmitter and a 390-ft. Stainless tower with helical antenna on Signal Hill, between Fort Pierce & Vero Beach. Gene T. Dyer is owner. Herbert E. Buck Jr., ex-WCTV Tallahassee, is gen. mgr.; Lester M. Combs, station mgr.; Joseph C. Strelauski, ex-WJPB-TV Weston, W. Va., chief engineer.

\* \* \*

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

WBNB (Ch. 10) Charlotte Amalie, V. I. has signed with CBS-TV & NBC-TV and expects to start next January or shortly thereafter, reports Robert Moss, pres. & gen. mgr. Studio-transmitter building on Mountain Top Estates, St. Thomas, is scheduled for completion Dec. 1, and the 500-watt Gates transmitter is scheduled to arrive Dec. 11. It has foundations ready for a 200-ft. Utility tower, also due Dec. 11. Moss and Robert E. Noble Jr., commercial & business mgr., will be in charge of operations while local residents are being trained for station jobs.

KIFI-TV (Ch. 8) Idaho Falls, Ida. has a 28-kw GE transmitter scheduled to arrive soon. It hopes to begin with NBC-TV Jan. 15, writes James M. Brady, pres.-gen. mgr. Concrete for footings of 100-ft. tower to be furnished by Tower Construction Co. has been poured at site adjacent to KID-TV on East Butte. Arthur S. Wiener, ex-KOLD-TV Tucson, will be operations mgr. Hour, \$275; no rep yet.

**Disc Jockey Talents:** Working conditions & operations of disc jockeys—the subjects of much attention from FCC, FTC and House investigators in the past year—have come under the scrutiny of National Labor Relations Board, too.

In the course of pondering issues in a collective-bargaining election case involving rival locals of AFTRA & IBEW and 4 Portland, Ore. radio stations—KPOJ, KGW, KOIN and KXL—the Board was called on to decide just what jockeys do to earn their pay.

"The record indicates that these employes spend a considerable amount of their air time engaged in activities other than speaking," NLRB concluded. "They operate turntables & tape recorders, cue records, read & regulate potentiometers, and make log entries of certain meter readings in compliance with FCC regulations."

"However, the record indicates that for the most part the [disc-jockey] announcer-technicians do not have any formal technical education and that the mechanical tasks they are required to perform do not demand such training."

"The mechanical duties of the announcer-technicians are incidental to their principal function of announcing, and require manual dexterity & agility rather than technical know-how. Moreover, it appears that the requisite mechanical knowledge is not particularly involved and can be acquired in a relatively short time."

In its decision on an appropriate bargaining unit, NLRB therefore lumped jockeys with all other station staffers "who appear regularly or frequently before the microphone," excluding clerical employes, guards, "professional" workers and supervisors. They will decide by secret ballot whether they want AFTRA or IBEW—or neither—to represent them for union contract purposes.

**New 'Freedom' for TV & Radio:** All Washington objectives of broadcasters are far from won, but recent developments at least "go in the direction of emancipating" them from stifling govt. regulation, NAB's 7th fall conference in Chicago was assured last week.

NAB Policy Committee member Merrill Lindsay (radio WSOY Decatur, Ill.), addressing a first-day luncheon audience at Nov. 21-22 sessions in the Edgewater Beach Hotel, said at the same time that TV & radio must protect their new "freedom" by meeting community needs.

As examples of "emancipating" actions in Washington which demonstrated a trend toward "more reliance upon our ability to operate in good faith & in the public interest," Lindsay cited: (1) FCC plans to permit broadcasters to prove programming performance for their communities through over-all scheduling rather than by a fixed-percentage formula. (2) Withdrawal by FCC of its policy statement implying that stations must announce credits for free records used for broadcast purposes only. (3) Congressional modification of the Communications Act's equal-time Sec. 315 to permit debates by Presidential candidates.

In a second-day luncheon speech at the Chicago conference, Chrysler Corp. sales vp E. C. Quinn said "prime responsibility for keeping the country on the move" is shared by businessmen & broadcasters. "The job of building the big markets of the future is nothing less than the building of a greater & stronger country," he said.

Another guest speaker at the NAB staff-led conference was Ben Strouse of radios WWDC Washington & WMBR Jacksonville.

Luncheon speakers at the 8th & final NAB conference this week (Nov. 28-29) in N.Y. at the Biltmore will be Policy Committee Chmn. Clair R. McCollough & U.S. Chamber of Commerce Pres. Arthur E. Motley.

Abolition of Conelrad system as obsolete in the missile age is recommended in a long-withheld report to the Army on the "basically-unsound" U.S. air-raid warning network. The text of the report, prepared by a Johns Hopkins U. team under an Army contract, had been suppressed by the Office of Civil & Defense Mobilization as "embarrassing," according to Chmn. Moss (D-Cal.) of the House Govt. Information Subcommittee. But it was finally released publicly Nov. 25. Among other things, the report says: (1) Conelrad transmissions are weak in some areas. (2) Conelrad's mission to black out navigational aids would be useless because enemy ballistic missiles don't need radio guidance. (3) OCDM should make full use of pre-taped TV & radio warning broadcasts. (4) OCDM's air raid system is ineffective and should be replaced by centrally-controlled warning buzzers installed in homes & offices. Meanwhile, the Air Force & FCC went ahead with plans to utilize AP & UPI wires instead of "hot line" calls for Conelrad TV & radio alerts (Vol. 16:46 p11). Contracts for the new service were signed in N.Y. Nov. 21. The move brought protests from the Ida. Bcstrs. Assn., whose Pres. Gale Mix (radio KRPL Moscow) telegraphed FCC, OCDM and NAB that the new set-up would weaken the alert system. Mix said most TV & radio stations don't monitor news teletype machines between regular newscasts.

Sale of about 25% of CHAN-TV (Ch. 8) Vancouver, B.C. to British program contractor Associated Television Ltd. and Famous Players Canadian Corp. has been negotiated for an undisclosed sum, subject to BBG's okay. Famous Players also owns 50% of Quebec's French-language CFCM-TV and English CKMI-TV, as well as 50% of CKCO-TV Kitchener, Ont. & CATV system in Port Arthur.

## Television Digest

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**Personals:** George D. Matson named to new post of vp, asst. to the pres., NBC. He is succeeded as vp-gen. mgr., NBC-TV, by Robert L. Stone, who was net's operations & engineering vp. William H. Trevarthen, recently named TV network-operations vp (Vol. 16:46 p14), promoted to succeed Stone. James A. Stabile promoted from standards & practices vp to new post of staff vp, NBC-TV, succeeded by Ernest Lee Jahncke Jr. . . . Ralph Mann, ex-NBC talent & programming contract administration dir., named Broadcast Management Inc. vp . . . Charles E. Corcoran named NBC-TV operations dir.

Robert E. Kelly, station mgr., KCRA-TV Sacramento, elected KCRA Inc. pres; Jon S. Kelly promoted from local sales mgr. to gen. mgr., KCRA-TV. They succeed their late father Ewing C. Kelly . . . Edward R. Tabor, KBAK-TV Bakersfield, Cal. gen. mgr., named exec. vp, Bakersfield Bcstrg. Co. Charles F. Mallory appointed sales mgr.

William T. Wagner, ex-KTRK-TV Houston, Dec. 12 joins WJZ-TV Baltimore as program mgr. . . . Robert Peel, ex-radio WIND Chicago, appointed promotion mgr., WITI Milwaukee . . . Oliver Barbour, ex-Benton & Bowles program vp, appointed senior vp, Advertising, Radio & TV Services Inc.

Jack Sholar, ex-WSPA-TV Spartanburg, S.C., named mgr., WJHG-TV Panama City, Fla. . . . Bernie Whitaker promoted from regional sales mgr. to national sales mgr., WRAL-TV Raleigh, N.C. . . . Gerald F. Maulsby named network programs dir., CBS Radio, succeeding George M. Perkins, recently named network programs vp . . . Gene Lieberman named sales service mgr., WNTA-TV.

Joe C. Drilling, KJEO, Fresno, elected president of Cal. Bcstrs. Assn. Louis S. Simon, KPIX San Francisco, vp for TV; Ernest L. Spencer, radio KWIZ Santa Ana, re-elected vp for AM; Alan Lisser, KBIG Avalon, secy.-treas.

Charles P. Ginsburg, Ampex vp & mgr. of advanced video development, becomes the first native-born American to win the Valdemar Poulsen Gold Medal from the Danish Academy of Technical Sciences. He was cited by the Academy for his "guiding spirit & principal participation in the development of the videotape recorder by Ampex Corp." . . . Walter H. Annenberg, pres. of Triangle Publications, Inc., receives Order of the Finnish Lion in recognition of his contribution to Finnish-American relations.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**BONDED-TUBE BATTLE JUST BEGINNING:** At least 3 important new techniques for mounting safety plate in front of picture tubes are now rising to challenge Corning-Sylvania bonded-shield concept, and an industrial battle royal already is shaping up. Among the new approaches:

- (1) Du Pont's Mylar safety shield, designed to be affixed permanently to picture tube (Vol. 16:47 p16), but still in developmental stage.
  - (2) Inexpensive "dry-seal" process, developed cooperatively by 4 companies, with many advantages of bonded-shield technique, and already adopted by 2 set makers.
  - (3) Sharply improved Pittsburgh Plate Glass laminating (bonding) process, soon to be used on RCA color tubes—but so new it has been shown so far to only 3 manufacturers.
- • • • •

Meeting head-on the challenge to its 2-year-old bonded-shield principle, Corning is embarking on \$500,000 promotion & education campaign, aimed at telling distributors & dealers "how to use features instead of price" as TV selling points. This promotion drive will be geared primarily to boosting TV as a whole, but Corning officials state that advantages of bonded tubes certainly will be among the selling features stressed. A consumer ad campaign may follow, but not until "a year from now."

Corning presumably has other aces in its hand. One might be development of a lighter-weight bonded bulb, but we're told that's still quite far in future.

**The Protagonists:** Approximately 50% of all picture tubes made for new sets use Corning's bonding process, in which Corning-made molded glass cap is laminated to front of tube (by tube maker) with a special resin. Bonded tubes are made only in 19- & 23-in. sizes, and while 23-in. bonded tube has generally caught on with industry, only one set maker (Sylvania) uses bonded tubes throughout its 19-in. line.

Kimble Glass Co., the Owens-Illinois subsidiary, is Corning's principal competitor in the picture-tube bulb field. It opposes the bonded-shield approach, makes so-called "strong" 19- & 23-in. bulbs designed for external non-bonded safety plates. (Corning also makes "strong" bulbs, but emphasises the bonded approach. Bulbs made for Corning's bonding process are called "weak" because they are structurally built for the addition of the bonded cap, which provides the needed strength.)

Pittsburgh Plate Glass Co. supplies 90% of the raw "gray" glass used by glass-formers & molders to make external safety implosion-glass plates. At the time Corning introduced its bonded-shield concept, Pittsburgh brought out its own approach to laminated-on-the-tube shield, using its own curved plate glass. This concept was not accepted by TV industry—but, as we advised more than a year ago (Vol. 15:42 p18): "Don't count Pittsburgh out of the race. Too much is at stake."

E. I. du Pont de Nemours & Co., the huge chemical & plastics firm, has been trying to become a strong factor in the picture-tube implosion shield material business for about 10 years, without notable success.

Strongest threats to Corning's bonded tube are being mounted by the team of Pittsburgh & Kimble, which have most to gain—or lose—aided by other firms which are contributing to their new processes.

Acceptance of Corning's bonded bulb has changed the profile of TV sets. Implosion plates are now curved to fit contours of picture-tube faceplate, giving better looks, more flexibility in set design and reduced reflections. Accordingly, flat implosion plate is on way out. Any new, competitive approach must use contoured plate. And all the important new ones do.

**The New Systems:** Dry-seal process has been closely guarded industry secret during its year of development. Basically, it is this: An elastic vinyl gasket grips curved implosion glass, holding it at a fixed distance (about one-eighth inch) from face of picture tube, on which gasket rests. Gasket also rests against escutcheon, which can be used (along with a wire tube harness) to hold entire picture-tube & implosion-plate assembly in place.

Set & tube makers see great promise in this simple system, which has basic Underwriters Labs safety approval (although some glass made for the system has been rejected). Wells-Gardner, large private-brand manufacturer (Western Auto, Montgomery Ward, etc.), is enthusiastic, has been quietly using dry-seal method for some time, now is said to be using it in most of its sets. Motorola is understood to be planning to use the technique in several new sets. Admiral, Zenith & RCA reportedly are "interested."

Dry-seal process is joint year-long effort of the following firms: (1) Pittsburgh Plate. (2) Kimble. (3) Rauland Corp., Zenith's tube-making subsidiary, where work was coordinated under project engineer Joseph Fiore. (4) Conneaut Rubber & Plastic Co., Conneaut, Ohio, div. of U.S. Stoneware Corp., Akron, maker of chemical & medical plastics & ceramics. Conneaut developed the elastomeric (rubber-like) gasket which separates implosion glass, picture tube & escutcheon.

Advantages of dry-seal implosion-plate process revolve largely around cost. It is installed by set maker as part of TV assembly process. As used now by Wells-Gardner, it is claimed to make possible a cost saving of about \$2 a set over bonded 23-in., but mounting procedure is said to be so flexible that modifications of process may increase savings another 25-to-50%. Picture-tube replacement costs to consumer, according to dry-seal protagonists, would be cut \$15 at retail, on basis of today's costs (bonded 23-in. replacement, \$75 regular unbonded "strong" 23-in. replacement, \$60).

Other claimed advantages: A 23-in. set using dry-seal weighs 3-to-4 lbs. less than bonded-tube type. Implosion plate can easily be removed by TV technician for tube replacement or servicing. Dry-seal glass contour shield can be used with any size or shape of tube, including 24- & 27-in., still being made for original equipment market, and it "makes older tubes look modern." Since it uses conventional tube, it cuts down high rejection rate of bonded tubes (a point which some tube makers dispute, claiming they've now mastered art of producing bonded tubes with low rejection rate).

There are disadvantages, too, of course: Although vinyl gasket is claimed to provide completely dust-proof seal, there's still air-space between faceplate & implosion glass. Unlike bonded-on implosion plate, this results in double reflection, although closeness of glass surfaces converges reflections and makes them less objectionable than in old-fashioned flat-glass sets. There are also claims that implosion protection may be somewhat less than bonded tube provides.

Corning officials are extremely dubious of high cost-saving claims by dry-seal proponents. In addition, they state that their own firm experimented with similar approach before finalizing on bonded-shield, and found that gasket doesn't keep dust out, that reflections were objectionable. They also express doubt that this approach could stop an implosion.

Another competitor to Corning's bonding process is so new that most tube & set makers haven't seen it yet. It's Pittsburgh's improved laminating technique, which already has an important feather in its cap—RCA is applying it to its forthcoming improved color tube (see next page). It's understood Pittsburgh has shown new process only to RCA, Rauland and GE, will gradually acquaint other manufacturers with it.

Lamination process is somewhat like Corning's bonding technique—curved implosion plate glass is affixed by tube maker to front of picture tube. But, although Pittsburgh officials are silent, it's understood they are claiming these advantages: (1) Laminating procedure is vastly simplified, requiring tube-maker expenditure of only \$15-\$20,000 to adapt existing machinery. (2) Process can be used with any size or shape of conventional tube. (3) Resulting tube can be made & priced cheaper than bonded-shield type. (4) Laminated implosion plate can be removed easily to recover glass bulb for re-use. Process is said to be made possible principally through development of cheaper, simpler-to-use resin for cementing implosion plate to tube.

Only comment from Pittsburgh officials was this: "If our company knew 18 months ago what it knows now about laminating, we wouldn't have lost that first round."

Sounding out tube & set makers about du Pont's Mylar safety shield, which is designed to be permanently affixed to picture tube (Vol. 16:47 p16), we found generally bearish reaction. Two principal draw-

backs were consistently cited: susceptibility to scratches, and inflammability. "Will we have to replace the entire picture tube just because we touched it with a cigarette?", asked one manufacturer.

Note: Price increase on 19-in. tube bulb by Kimble (as predicted here, Vol. 16:43 p15) goes into effect March 1, amounts to 50¢, which will hike finished tubes about \$1. Although cut applies to "strong" (non-bonded) bulbs which Kimble features, presumably Corning—which also makes strong bulbs—will follow suit. Whether similar increase in Corning's speciality—the weak bulb—is also in cards is not known yet.

**RCA's Color Tube:** First to employ new Pittsburgh laminated implosion plate will be an improved version of RCA's 21-in. round shadow-mask color tube, mentioned for the first time in any publication here in these columns Oct. 24 (Vol. 16:43 p16), and due to be introduced soon.

RCA has been discreetly silent about this development, has even postponed indefinitely a scheduled trip by set manufacturers to inspect the tube and its production in Lancaster, Pa. Although no details are available from RCA, we know that developments in the art have made advances possible, and this is what we believe improved tube will be like:

It will be same basic 21-in. round shadow-mask tube used for years by RCA. (To our knowledge, there is no development even on horizon which offers same color advantages as shadow-mask tube). Principal difference will be that color pictures will be as much as 85-90% brighter than on present version of tube, with greater contrast and higher apparent definition & resolution.

New type of color phosphor is principally responsible for improvement. Like black-&-white phosphors, it's a sulphide, 50-60% brighter than the phosphate phosphors previously used for color tubes. And—since sulphide phosphors give tube screen a darker body-color than do phosphates—less filtering (tinting) will be required in the glass in front of tube, adding further to brightness of picture.

Use of Pittsburgh laminated implosion plate will increase brightness by about 10% more by cutting down reflections. Therefore, total brightness increase can be estimated at approximately 85-to-90% in color, perhaps 20-to-25% or so in b&w. Laminated implosion plate may be etched for greater contrast. (Although RCA did select Pittsburgh laminated safety glass for color tube, it actually had no other choice, since Corning's laminated caps are made only for 19- & 23-in. tubes.) New phosphors leave color hues unchanged. It's not known whether RCA will register its improved color tube as a new tube type or continue to use old designation 21CYP22.

The intense competition in research by set makers & suppliers—such as that responsible for improved color tube—continues constantly, steadily, behind the scenes. While the battle for a better or cheaper way to shield picture tubes isn't as dramatic as earlier breakthroughs in TV-radio technology, in its own way it's just as significant. Such technical & commercial competition has consistently brought quality up, costs down. From where we sit, it appears there will be no clear-cut victory in the war of the implosion shield, and that several methods will coexist in foreseeable future. Real victor in this battle for better ways of doing things will be—once again—the consumer.

#### TV-RADIO PRODUCTION: EIA statistics for the week ended Nov. 18 (46th week of 1960):

	Nov. 11-18	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	118,019	113,321	146,673	5,215,029	5,634,110
Total radio .....	367,048	385,996	340,249	15,303,192	13,781,449
auto radio .....	123,098	128,657	75,066	5,815,946	4,913,037

Du Mont TV picture tubes will be produced in Buenos Aires starting March 1961 in the new 60,000-sq.-ft. plant of Allen B. Du Mont Labs' Argentina licensee Gregorio & Numo Werthein. The Du Mont-designed plant is located at Otamendi 512. Du Mont has built & will ship next week complete production equipment which will give the plant an annual single-shift capacity of 50,000 tubes. In its first year Werthein will turn out about 25,000 19-, 21- and 23-in. kinescopes. Argentina currently has some 600,000 TVs & 3 stations in operation and a 4th station slated for March debut, according to Julio Werthein of the Argentina firm. He said the government soon will invite bids for 26 additional stations.

**Mergers & acquisitions:** Sprague Electric has acquired for operation as a wholly-owned subsidiary Vec Trol Engineering, Stamford, Conn. maker of electronic components, devices and industrial controls. • M. A. Miller Mfg., Libertyville, Ill. manufacturer of recording & playback needles, has acquired for an undisclosed price the synthetic sapphire phonograph needle business & production equipment of Union Carbide's Linde Co. div.

Advertising complaint against Midwest Electronics Corp., St. Louis, has been dismissed by FTC. The company had been accused of misrepresenting tube-testing devices, but is no longer in business, FTC said.

**More about**

**EIA WINTER MEETING:** Discussion of FCC's proposed TV-set-control law may be the most significant topic at EIA's board session and the meeting of its consumer-products div. executive committee (see p. 1). But there may be several other important actions taken in the consumer electronics sphere at EIA's Nov. 29-Dec. 1 winter conference in San Francisco.

The consumer-products committee will consider 2 projects—both developed & pushed by its chairman, Motorola's Edward R. Taylor. It will receive, and possibly vote on, a draft of the proposed TV-radio-phono ad-practices code, patterned after that of the American Home Laundry Assn. (Vol. 16:38 p6). Whether this industry-enforced code ever reaches fruition may well depend on interpretations by EIA and member company attorneys on its legality.

Also submitted to the committee will be a proposal for a consumer-electronics promotion campaign—aimed at getting the public to buy more TVs, radios & phonos. This is the latest version of several proposed drives in TV & stereo fields, which failed to get committee approval.

Electronic product imports will also feature prominently on the EIA agenda and in corridor discussions, as usual. One new item due for action will be a proposal by EIA's tube & semiconductor div. that FTC be asked to re-open the TV-Radio Trade Practice Conference proceedings and insert a rule requiring the marking of sets containing imported components.

Speaking on microminiaturization, deputy research dir. Edward G. Witting of the Office of the Secy. of Defense will address the Nov. 30 luncheon.

In addition to all-channel receiver legislation and the import problem EIA's board of directors is expected to consider military procurement procedures, patent policies, and minimum wage laws.



Electronic component shipments leveled off in the 2nd quarter this year from their first-quarter plateau, the Commerce Dept.'s Business & Defense Services Administration reported. Counterbalancing declines in output of receiving tubes, transistors, capacitors and connectors were increases in diodes & rectifiers, power & special purpose tubes, TV picture tubes, transformers and quartz crystals. For the first time since BDSA started collecting the data, shipments of semi-conductors failed to go up during quarter.

Record factory sales of transistors in September set a monthly high with 13 million units at \$28.4 million, reports EIA. The sales spurt—up 3.2-million transistors & \$5.7 million over August—also pushed the 9-month totals ahead of the 12-month record unit-&-dollar volume established in 1959. The 9-month volume climbed to 90.3-million units, vs. 82.3 million for all of 1959. Dollar volume increased slightly to \$222.2 million from \$222 million, reflecting decreasing transistor prices. The EIA's monthly figures on factory sales of transistors:

	1960	1959		
	Units	Dollars	Units	Dollars
January .....	9,606,630	\$24,714,580	5,195,317	\$13,243,224
February .....	9,527,662	24,831,570	5,393,377	14,550,056
March .....	12,021,506	28,700,129	6,310,236	18,117,560
April .....	9,891,236	23,198,576	5,906,736	16,864,049
May .....	9,046,237	24,714,580	6,358,097	19,007,293
June .....	10,392,412	27,341,733	6,934,213	18,031,593
July .....	7,070,884	18,083,802	6,030,265	15,618,315
August .....	9,732,993	22,739,969	7,129,696	18,054,138
September .....	12,973,792	28,442,229	8,652,526	20,851,290
<b>TOTAL .....</b>	<b>90,263,352</b>	<b>\$222,198,961</b>	<b>57,910,513</b>	<b>\$154,337,518</b>

**SALES & INVENTORIES DOWN:** Retail TV sales took another tumble in October, preliminary estimates showed last week, confirming reports from industry leaders previously printed in these columns. There were silver linings in October, though: (1) TV production cutbacks finally brought inventories below last year's level. (2) Radio at retail showed a nearly phenomenal rise.

Sales of TV sets to consumers were down 16% from Oct. 1959—about 550,000 vs. 637,147—biggest monthly percentage drop yet. For the year's first 10 months, however, cumulative retail sales were still about 5% ahead of last year—4,650,000 vs. 4,449,000 sets. TV sales by distributors to dealers took another sharp drop—about 30%—to 545,000 in October this year from 716,000 in Oct. 1959. Total year-to-date distributor sales are 4,583,000—down from last year's 10-month figure of 4,865,000.

Cumulative 10-month TV production was 4,872,844, well below the 5,195,440 for the same 1959 period.

As a result of the sharp break on production, total inventories of TV sets in all distribution channels fell below 1959's level at the end of October—2,272,000 vs. 2,331,000. Although the drop is only 2%, the pattern of these inventories gives sharp indication that retailers prefer to go into the Christmas season with far lower inventories than last year, relying on distributor & factory stocks if demand becomes strong—rather than carrying their own heavy supply of sets.

As compared with Oct. 31 last year, retail TV inventories declined 19% to 930,000 from 1,149,000. This was the only level at which TV inventories dropped, but the dip was large enough to pull the industry-wide inventory level down. Distributor inventories were up to 848,000 from 809,000 last year and factory stocks were 494,000 vs. 373,000 in 1959.

The radio picture was cheery, October seeing a 25% rise in dealer sales of home radios over last year (1,050,000 vs. 839,000 in Oct. 1959). This sales increase was entirely from inventory, since home-radio production for October was actually lower than in the year before (1,072,000 vs. 1,264,000). But 10-month radio production totaled 8,699,318, nearly 660,000 units higher than last year's 8,040,008.

Distributor radio sales in October totaled 1,170,000, up substantially from 931,000 in October last year. Year-to-date distributor sales were 7,646,000 vs. 6,911,000. Nevertheless, and despite the inventory reduction through heavy sales & curtailed production, total radio inventories were still higher than a year ago—4,936,000 vs. 4,601,000. Only distributor inventories were lower than last year. Here's the Oct. 31 home-radio inventory lineup (1959 figures in parentheses): factory, 996,000 (624,000); distributor, 1,765,000 (1,905,000); retail, 2,175,000 (2,072,000).

■ ■ ■

New plants & expansions: Sylvania will begin construction in April of a 17,000-sq.-ft. addition (for a total 53,000 sq. ft.) to its Hillsboro, N.H. semiconductor plant.

- GE has announced plans for a major expansion & renovation of its California Ave. electronics plant in Palo Alto, Cal. Included is the construction of an 8,000-sq.-ft. single-story addition, slated to get under way in December.
- IBM has purchased a \$1.6-million tract in downtown Philadelphia for the site of a \$10-million skyscraper office building.
- Collins Radio will begin construction Dec. 15 of a \$1.8-million, 117,000-sq.-ft. production plant on a 200-acre site at Richardson, Tex. Slated to be ready Aug. 15, it will be built by Collins' Alpha of Tex. subsidiary.

**TV-RADIO EXPORTS & IMPORTS:** Exports of TV sets in August were the highest since last May, according to Commerce Dept. estimates. They showed 8,913 receivers & 1,687 TV chassis shipped to foreign countries during the month.

Because of differing definitions & classifications, export & import figures can't be compared directly, but the following tables sum up major classifications of consumer electronic & related exports & imports. In the tables, the largest customer or largest supplier is given for each category; where 2 countries are given for a single category, one was the largest in unit number, the other in dollars.

Here are the summaries of Census Dept. export & import data for Aug. 1960:

#### U.S. EXPORTS—AUGUST 1960

Product	Units	\$	Biggest Customer
TV receivers .....	8,913	\$1,215,981	Venezuela (3,188 at \$420,422)
TV chassis .....	1,687	124,561	Uruguay (830 at \$50,668)
Auto radios .....	3,134	82,661	Canada (1,707 at \$39,311)
Home radios .....	8,454	254,751	Canada (4,254 at \$86,375)
Radio chassis .....	3,688	26,780	Chile (3,100 at \$14,552)
Radio-phonos .....	491	43,581	Guatemala (159 at \$7,016) Canada (74 at \$11,707)
Phonographs .....	2,571	136,725	Venezuela (913 at \$43,377)
Coin-op. phonos ..	964	523,536	W. Germany (287 at \$195,166)
Phono parts .....	—	371,781	U.K. (\$84,695)
TV picture tubes	107,299	2,069,695	Argentina (30,444 at \$533,334)
Recorders & parts	—	992,015	Canada (\$254,004)
Transistors, diodes	723,310	1,307,040	Canada (144,240 at \$203,548) U.K. (51,125 at \$237,087)
Receiving tubes ..	1,626,707	1,249,720	Argentina (437,891 at \$250,893) Canada (247,302 at \$279,811)
TV transmitters & parts .....	—	198,692	W. Germany (\$58,950)
TV studio equip. ..	—	1,206,739	Canada (\$245,459)
TV camera tubes ..	122	102,333	Japan (50 at \$59,050)

#### U.S. IMPORTS—AUGUST 1960

Product	Units	\$	Biggest Supplier
Transistor radios ..	676,292	\$5,724,703	Japan (666,604 at \$5,627,464)
Portable tube radios .....	57,324	391,382	Japan (52,635 at \$310,852)
Other radios .....	91,843	935,204	Japan (76,490 at \$487,790)
Radio-phonos .....	7,120	609,496	W. Germany (5,203 at \$518,414)
Phonographs .....	1,560	31,844	Japan (828 at \$17,424)
Chargers, turntables .....	—	576,658	U.K. (\$420,662)
Radio tubes .....	3,154,591	1,018,071	Japan (1,816,236 at \$497,178)
Radio parts .....	—	1,628,552	Japan (\$588,339)
TV tubes & parts	—	19,939	Netherlands (\$10,239)
TV parts, etc. ....	—	123,384	France (\$40,004)
TV cameras, parts	—	59,425	U.K. (\$55,301)

**Japan's TV-Radio Exports:** TV showed up strongly in September for the first time in Japanese figures on exports to the U.S. Japanese govt. statistics showed 2,305 sets were sent to this country that month, at a total value of \$111,111 (declared custom clearance value), as opposed to 322 sets at \$19,238 for the other 8 months of 1960. TV shipments to the U.S. in 1959 were nil.

The 2,305 sets average out to a cost of \$48.20 each. These presumably were mostly Delmonico 19-in. sets, with possibly a smattering of Star Lite 8-in. (retail \$88) receivers (Vol. 16:40 p15). The Delmonico sets are shipped here without picture tubes, the 19-in. tubes being added here—hence the stated value is misleadingly low.

Other 9-month Japanese electronic-product exports to U.S. (corresponding 9-month 1959 figures in parentheses): Radios, 3 or more transistors, 2,944,534 at \$39 million (2,449,534); tape recorders, 101,967 at \$4,679,969 (41,000 for all of 1959); radio-phonos, 21,369 (12,211); radios, less than 3 transistors, 1,767,081 (1,148,008); tube radios, 461,255 (302,966).

**Trade Personals:** P. J. Casella, RCA consumer-products exec. vp until his reassignment in July to the international div. (Vol. 16:28 p15), has resigned from the corporation, an RCA spokesman has confirmed. Casella tells us he has a 10-year retirement contract that runs through 1970, his future plans are indefinite, his immediate plans call for a 6-month European vacation starting shortly after the first of the year.

Jack S. Beldon, RCA Sales Corp. president until his resignation from that post in August (Vol. 16:34 p16), has also tendered his resignation to the corporation, it's reliably reported. Although Beldon told us last week that "I'm still with RCA at the present time," it's understood he leaves officially Dec. 1.

Bryce S. Durant moves up to RCA Sales Corp. product planning & development mgr., succeeding James M. Toney, who was reassigned last month (Vol. 16:43 p18) to staff of Sales Corp. Chmn.-Pres. W. Walter Watts, as vp in charge of special projects. Durant had been sales planning & development mgr. for RCA radio & "Victrola" wing.

Ernest L. Ward elected president of Sprague Electric Co., succeeding the late Julian K. Sprague. The following were named senior vps: William J. Nolan, legal affairs; Neal W. Welch, mktg. & sales; Wilbur A. Lazier, technical dir.; Robert C. Sprague Jr., industrial relations. Named vps: David B. Peck, special products; Hollis R. Wagstaff, fiscal; Carroll G. Killen, industrial & military sales; Bruce R. Carlson, corporate planning systems.

Robert E. Hogan named Packard Bell industrial relations vp... Dr. Charles F. Robinson, Bell & Howell Research Center dir. elected vp of subsidiary Consolidated Electrodynamics... Edward L. Lavine, ex-Ling Electronics, named vp-gen. mgr., Communications Measurements Lab... George E. Tirone Jr. promoted from Du Mont Labs international div. technical product sales head, to the new post of mktg. mgr., for 4 industrial electronic product lines.

Portus M. Wheeler named vp-gen. mgr., Indiana Steel Products div. of Indiana General Corp. . . Alwyn L. Carty Jr. promoted from contracts dir. to customer-relations mgr., Adler Electronics military products div. . . Richard J. Bamberry, ex-Admiral Corp., appointed vp, American Concertone & parent Astro-Science Corp.

Elmer Metz named asst. community sales mgr., Jerrold Electronics; Jim Forgey appointed Western regional mgr., community-sales div. . . Ted Cutler named distributor sales mgr., Radio Receptor Co., a General Instrument Corp. subsidiary . . . William E. McKenna, Litton Industries treas. & controller, and Crosby M. Kelly, in charge of advertising, PR & employee communications, named vps.

F. L. Ankenbrandt named to new post of defense-product assurance mgr., RCA; Earl W. Russell named to new post of supplier relations administrator, RCA industrial electronic products . . . Clifford A. Busse named operations vp, Siegler Corp.'s Hallamore Electronics div.

Tiros II weather satellite, like its younger brother Ticos I (Vol. 16:15 p11), was developed by RCA's astrotechnics div. and contains 2 tiny vidicon cameras with tape recorders to store the slow-scan pictures. Ticos I is still in orbit, its radio still operating, but it no longer is sending out pictures. During its lifetime, it took 23,952 pictures. Ticos I was launched last April 1, Ticos II Nov. 23.

Sonotone has licensed Japan's Furukawa Battery Co. to develop, produce and sell Sonotone's nickel-cadmium batteries in Japan and other Far Eastern territories.

Webcor has acquired Dormeyer Corp. from Webcor Chmn. Titus Haffa and members of his family, and will operate it as a wholly owned subsidiary. The Chicago-based manufacturer of small appliances, electric tools, staplers and plastic parts, was acquired through issuance of 290,000 shares of Webcor stock at \$12.50 a share for a total acquisition price of \$3,625,000. Dormeyer's sales in the fiscal year ended last May 30 totaled \$19,480,000, while Webcor's sales for the year ended June 30, 1959 were \$33,498,227. Fiscal-1960 Webcor sales haven't been announced yet, but for 9 months to March 31, 1960, sales were \$24 million vs. \$26.4 million in the similar 1959 period.

**New models:** Packard Bell introduces 23-in. table model in 3 finishes at \$319.95-\$339.95, and 19-in. table models in some finishes at \$279.95-\$299.95, both with new Roto/Remote, which uses ratchets instead of snap-buttons for ultrasonic set control (Vol. 16:47 p20) • Sarkes Tarzian Inc. expands its FM line with 6-tube AM-FM radio at \$29.95, due Dec. 15 • Zenith announces 4-transistor "Courier" hearing aid, for mild hearing loss, at \$115.

Stereo reply comments filed with FCC in its rule-making proceeding (Vol. 16:44 p15 *et seq.*) include a recommendation from H. H. Scott Inc. that the Commission adopt a system using AM modulation for the subcarrier. Scott said that its own tests & calculations indicate that AM produces less distortion, least degradation of signal-to-noise ratio, etc. GE replied to its critics, saying that they're not familiar with its system, and it has supplied a point-by-point technical rebuttal.

"Striking transformation" in advertising for appliances sold in the District of Columbia has been noted by FTC Chmn. Earl W. Kintner following a conference with local dealers on "list-price" practices (Vol. 16:45 p18). "We hope the improvement will be permanent, but are prepared to bring action if it proves otherwise," he said.

Philco products will be fair-traded in N.Y. & N.J. Distributor John M. Otter Co. has set minimum resale prices under the fair-trade laws in both states. All Philco consumer products are covered by the floor-price pact.

## Finance

**Republic's Rosy Outlook:** Republic Corp., formerly Republic Pictures, earned approximately \$1.6 million, or about 80¢ per common share, in the fiscal year ended Oct. 29, Pres. Victor M. Carter said at a meeting last week of the Los Angeles Society of Security Analysts. He said "sales were approximately \$30 million compared with \$28,250,000 in fiscal 1959—and they give every indication of being substantially higher in fiscal 1961." In fiscal 1959 Republic reported net income of \$884,880, or 24¢ a share.

Carter added that Republic's subsidiary, Consolidated Molded Products Corp., accounted for 25% of total sales last year; Consolidated Film Industries, 35%; TV and movie film distribution, 25%; studio rentals, 15%.

Republic has financed 2 TV series & 4 movies, he stated. The company has \$2.7 million in cash and no bank debt. He said \$5,002,000 in 4% debentures due in 1965 are being steadily paid off, and about \$200,000 of the debentures were bought back during the last fiscal year. Current assets total \$10.9 million, current liabilities \$4.5 million.

Carter said he owns 30,000 of the 400,000 shares of cumulative convertible preferred stock, 317,000 common, and \$1,264,000 of the 4% debentures. He predicted 1961 profits of "approximately \$1.25 per share."

Desilu Productions' profits in fiscal-1961's 2nd quarter (ended Oct. 29) wiped out the \$201,397 loss suffered in the first quarter (Vol. 16:35 p16), reported Pres. Desi Arnaz. He forecast that profits in the 9 months to Jan. 30 will be "within 10%" of the year-ago period. Outlook for the full fiscal year: Results "at the worst, look like they'll be equal to last year." In fiscal 1960, Desilu earned \$811,559 on \$23.4-million sales. Arnaz said that about 50% of the company's profit comes from network telecasts of shows in which Desilu has varying degrees of ownership. Another 25% stems from residual usage of older shows. The balance is from rentals of production facilities & sales of services to shows which are filmed on Desilu lots. At present, Desilu has ownership in 4 shows on the air, rents facilities & sells services to 13 others, has 50% of its facilities in use. Arnaz said prospects for Desilu-owned shows are bright, adding: "We hope to have 9 or 10 shows in which we have varying degrees of ownership on the air next year."

Federal Pacific Electric anticipates "disappointing" earnings for fiscal-1961's first half, ending Dec. 31. Pres. Thomas M. Cole told stockholders last week that the less-than-expected results stem from the general business slump, price competition, and the expenses involved in consolidating with Cornell-Dubilier earlier this year (Vol. 16:7 p24). However, Cole forecast a brighter 2nd half. He said Federal Pacific should earn about \$1.2 million in each of the last 2 quarters, and pegged the "minimum earnings goal" for the fiscal year at around \$3 million, vs. \$2.8 million in fiscal 1960.

Siegler Corp. will absorb Jack & Heintz Inc. (Vol. 16:14 p23) in a stock deal involving issuance by Siegler of 410,000 common shares and 105,000 shares of no-par cumulative convertible preferred, according to an SEC registration statement. Subject to approval by stockholders of both companies, Siegler (Olympic Radio & TV, David Bogen Co., etc.) will offer alternative merger plans to Jack & Heintz holders. They may exchange each of their shares for .55 of a Siegler share or take preferred stock at a rate to be fixed. No underwriting would be involved, Siegler said.

**Reports & comments available:** Motorola, Microwave Associates and FXR, comments in a report on "The Microwave Industry," Halle & Stieglitz, 52 Wall St., N.Y. 5 • General Tire & Rubber, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • Johnson Electronics, analysis, Security Associates, Park & New England Aves., Winter Park, Fla. • Capital Cities Bctg., review, Bacon, Stevenson & Co., 39 Broadway, N.Y. 6.

Electro-Science Investors, Dallas-based small-business investment company, has purchased for more than \$1 million a 30% interest in Communications Industries, the Dallas manufacturer of industrial communications & automation equipment. The investment is the first for recently organized Electro-Science.

Gibraltar Enterprises (WICU-TV & WICU Erie, Pa., other Edward Lamb operations) scored a 49.8% profit increase on an 11% sales gain in the first 9 months of 1960. The Jan.-Sept. earnings totaled \$594,625 (48¢ a share) vs. \$398,285 (32¢) in the year-ago period.

Crosby-Teletronics has established a stock option plan for key employees. Pres. Murray G. Crosby said the company has "definitely turned the corner on sales & profits," will push sales to more than \$1.5 million this year.

Andrea Radio's sales & profits for 1960's first 9 months exceeded those of the same 1959 period, Pres. Frank A. D. Andrea announced last week. He gave no figures.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Consolidated Electronics	1960—9 mo. to Sep. 30 1959 <sup>1</sup>	\$69,558,327 —	\$ 6,622,189 —	\$ 3,118,149 —	\$1.10	2,835,400
Crowell-Collier Publishing	1960—9 mo. to Sep. 30 1959—9 mo. to Sep. 30 1960—qtr. to Sep. 30 1959—qtr. to Sep. 30	34,012,353 26,692,075 12,990,880 10,640,918	5,534,755 4,490,658 <sup>a</sup> 2,208,556 1,828,036 <sup>a</sup>	4,665,055 4,490,658 1,874,056 1,828,036	1.82 <sup>b</sup> 1.75 <sup>b</sup> .73 <sup>b</sup> .71 <sup>b</sup>	2,561,102 2,441,570 2,561,102 2,441,570
Granco Products	1960—year to June 30 1959—year to June 30	3,366,382 3,070,486	— —	(94,674) 49,152	.15	—
Litton Industries	1960—qtr. to Oct. 31 1959—qtr. to Oct. 31	52,111,000 36,435,000	— —	2,150,000 1,537,000	.50 <sup>c</sup> .40 <sup>c</sup>	4,265,421 3,761,534 <sup>d</sup>
Loral Electronics	1960—5 mo. to Aug. 31 1959—5 mo. to Aug. 31	15,054,255 5,383,566	— —	513,596 193,808	.89 .35	580,148 550,000
Movielab Film Labs	1960—39 wks. to Oct. 1 1959—39 wks. to Oct. 1	3,802,481 3,066,791	— —	159,680 100,780	.51 .40	312,500 250,000
NAFI Corp.	1960—9 mo. to Sep. 30 1959—9 mo. to Sep. 30 1960—qtr. to Sep. 30 1959—qtr. to Sep. 30	40,135,150 16,862,703 12,756,675 4,749,691	2,264,302 934,496 (629,445) <sup>e</sup> 54,401 <sup>f</sup>	1,329,302 761,496 (243,445) 58,401	1.08 .77 — .06	1,230,755 987,655 1,230,755 987,655
National Union Electric	1960—9 mo. to Sep. 30 1959—9 mo. to Sep. 30	26,197,765 26,901,532	1,244,323 1,335,475	626,323 1,013,475	.11 .18	5,747,479 <sup>g</sup> 5,747,479 <sup>g</sup>
Radio Shack	1960—qtr. to Sep. 30 1959—qtr. to Sep. 30	3,029,406 2,264,428	— —	58,212 21,798	.13 .05	— —
Republic Corp.	1960—year to Oct. 29 <sup>h</sup> 1959—year to Oct. 29	30,000,000 28,250,273	— —	1,600,000 884,882	.80 .24	— —
Textron Electronics	1960—9 mo. to Sep. 30 1959 <sup>10</sup> 1960—qtr. to Sep. 30 1959 <sup>10</sup>	19,959,181 — 6,300,000 —	— — — —	305,257 (91,000)	.10 —	2,961,093 — 2,961,093 —

Notes: <sup>1</sup>Comparative figures invalid due to corporate consolidation Oct. 1, 1959. <sup>2</sup>Based on 2,561,102 shares outstanding Sep. 30, 1960. <sup>3</sup>No Federal income tax reported due to loss carry-over. <sup>4</sup>After preferred dividends. <sup>5</sup>Adjusted for Dec.-1959 2-for-1 split & Oct.-1960 2 1/2% stock dividend. <sup>6</sup>Before \$386,000 tax credit. <sup>7</sup>Before \$4,000 tax credit. <sup>8</sup>Outstanding Sep. 30, 1960. <sup>9</sup>Approximated. <sup>10</sup>Unavailable—company incorporated May, 1959.

Dividends were omitted last week by 3 electronics companies with downbeat 9-month and/or Sept.-quarter performances: Philco, Hoffman and American Bosch Arma. Philco, which suffered a 52% profit drop despite a 5% sales rise in 1960's first 9 months (Vol. 16:47 p23), took no action on a cash dividend. A 25¢ payment was declared at this time last year. Hoffman had record sales for 9 months & near-record volume in the September quarter, yet reported profit sharply down in both periods (Vol. 16:45 p20).

Corporation	Period	Amt.	Payable	Stk. of Record
Amphenol-Borg	Q	\$0.35	Dec. 30	Dec. 16
Andrea Radio	Q	.12 1/2	Dec. 15	Dec. 1
Arvin Industries	Q	.25	Dec. 28	Dec. 5
Canadian GE	Q	2.00	Jan. 3	Dec. 15
Canadian GE	Ex.	4.00	Jan. 3	Dec. 15
Con Electronics	Q	.25	Jan. 5	Dec. 15
Electro-Voice	Stk.	5%	Dec. 29	Dec. 12
Federal Pacific Elec.	Q	.20	Dec. 15	Dec. 1
Federal Pacific Elec.	Stk.	5%	Dec. 23	Dec. 1
GE	Q	.50	Jan. 25	Dec. 16
Globe-Union	Q	.25	Dec. 20	Dec. 2
Globe-Union	Ex.	.20	Dec. 20	Dec. 2
Indiana General	Q	.15	Dec. 13	Nov. 29
Speer Carbon	Q	.17 1/2	Dec. 15	Dec. 1
Sprague Electric	Q	.30	Dec. 14	Nov. 30
Sprague Electric	Stk.	2%	Dec. 14	Nov. 30
Time Inc.	Ex.	1.00	Dec. 12	Nov. 25
Walt Disney Prod.	Q	.10	Jan. 1	Dec. 16
Warner Bros.	Q	.30	Feb. 6	Jan. 13

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Wednesday, November 23, 1960

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	18 1/4	20 1/2	Lel Inc.	4 1/2	5 1/2
Aerovox	7 1/4	8 1/8	Magna Theater	2 1/8	2 1/2
Allied Radio	22	23 1/2	Magnetics Inc.	8 1/2	9 1/2
Astron Corp.	1 1/8	1 1/8	Maxson (W. L.)	7 1/4	8 1/2
Baird Atomic	22	23 1/2	Meredith Pub.	40	43 1/2
British Industries	15 1/2	17 1/4	Metropolitan Bctst.	16 1/4	17 1/2
CGS Labs	6 1/2	4 1/2	Milgo Electronics	16 1/4	18 1/2
Cetron	3 1/2	4 1/2	Narda Microwave	3 1/2	4 1/2
Control Data Corp.	44 1/4	47 1/2	Official Films	2-3/16	2 1/2
Cook Elec.	12	13 1/2	Pacific Automation	4	4 1/2
Craig Systems	15 1/2	17 1/2	Pacific Mercury	5 1/2	6 1/2
Dictaphone	31 1/2	34 1/2	Perkin-Elmer	44	47 1/2
Digitronics	24	26 1/4	Phillips' Lamp	160	165 1/2
Eastern Ind.	13 1/2	14 1/2	Pyramid Electric	2 1/2	3-5/16
Eitel-McCullough	14 1/2	16 1/2	Radiation Inc.	21 1/4	23 1/4
Elco Corp.	14	15 1/2	Howard W. Sams	34 1/2	37 1/2
Electro Instruments	19 1/2	22	Sanders Associates	29	31 1/2
Electro Voice	8 1/2	9 1/2	Silicon Transistor	4 3/4	5 1/2
Electronic Associates	26 1/4	28 1/2	Soroban Engineering	33	36 5/8
Eric Resistor	8 1/2	8 7/8	Soundscriber	13 1/2	15
Executione	20 1/2	23	Speer Carbon	19	21
Farrington Mfg.	28	30 1/2	Sprague Electric	44 1/2	47 1/2
Fischer & Porter	19	21	Sterling TV	1 1/2	2
FXR	41 1/2	45 1/2	Taylor Instrument	33	35 1/2
General Devices	8 1/2	9 1/2	Technology Inst.	8	9 1/2
G-L Electronics	7 1/2	8 1/2	Tele-Broadcasters	4 1/2	4 1/2
Granco Products	2 1/2	3 1/2	Telechrome	10 1/4	11 1/2
Gross Telecasting	19 1/2	21 1/4	Telecomputing	7 1/2	8 1/2
Haydu	1/16	1 1/4	Time Inc.	61	64 1/2
Hewlett-Packard	26 1/2	28 1/2	Tracerlab	8 1/2	10
High Voltage Eng.	138	146	United Artists	5 1/2	6 1/2
Infrared Industries	16 1/2	18 1/2	United Control	16 1/2	18 1/2
International Rectifier	21 1/2	23 1/2	Universal Trans.	1	1-5 1/16
Interstate Engineering	19 1/2	21 1/4	Vitro	9	10 1/2
Itek	53 1/2	58	Vocaline	2 1/2	3-5/16
Jerrold	7 1/2	8 1/2	Wells-Gardner	17 1/4	19 1/2

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# WEEKLY Television Digest

DECEMBER 5, 1960

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

## SUMMARY-INDEX OF WEEK'S NEWS

### FCC

**ALLOCATIONS—DROP-INS & DISCUSSIONS:** Syracuse & Rochester due for 3rd vhf each. Long-range plans are up for another FCC go-around (pp. 1 & 4).

**FORUM FOR AGENCY REFORMERS** provided by Senate subcommittee, which hears every-which-way proposals. James M. Landis says regulators should be higher-class men (pp. 2 & 5).

**KWK "FRAUD" CONFERENCE** is set for Dec. 8 on FCC license-revocation charges that St. Louis radio deceived public with treasure-hunt & "bonus club" contests (p. 5).

### Programming

**AFTRA-SAG ARMISTICE IS IN SIGHT** as negotiating teams of networks & talent unions reach "agreement in principle" (p. 2).

**LIVE TV AT WHITE HOUSE** press conferences contemplated by President-elect Kennedy. He may schedule night sessions (p. 3).

**MORE POST 1948s ARE REACHING THE MARKET.** Screen Gems has launched sales of 200 from Columbia Pictures with a station-group sale to the 5 CBS o&o's (p. 6).

### Auxiliary Services

**HARTFORD PAY-TV GO-AHEAD** recommended by FCC's Broadcast Bureau, which finds "no substantial reason" for refusing 3-year test of Zenith system by RKO General (p. 2). Dept. (p. 24).

**FCC AGAIN PONDERS CATV LEGISLATION:** may seek power to control duplication, and require CATV to carry local-station signals. "Rebroadcast permission" unlikely (p. 3).

### Film & Tape

**GARNER TRIUMPHS OVER WARNER:** Maverick star gets judge's decision for release from contract and upset of studio's force majeure action (p. 8).

**IS TAXING AXING THE LITTLE MAN?** Smaller telefilm producers hold that amortization method of taxation is unfair (p. 10).

### Consumer Electronics

**ELECTRONICS INDUSTRY SALES** for 1960 set record of \$9.7 billion at factory level, up 6% from last year, but short of predicted \$10-billion level (p. 17).

**EIA STILL OPPOSES FCC** on all-channel TV, rejects for 3rd time any legislation which would force set makers to produce vhf-uhf receivers; FCC Comr. Lee sees "good chance" Congress will pass bill (p. 17).

**FOREIGN "PERIL"** haunts EIA conference, draws counterattack measures; consumer-products div. approves ad code in principle and outline of 3-year promotion program (pp. 18 & 19).

### Stations

**THAT FINANCIAL FORM 324** is bound to bring strong industry objection to filing more data—particularly on non-broadcast investments (p. 11).

**PIGGY-BACK SATELLITE IN CANADA:** CBAUT-1 (Ch. 9) Nelson, B.C. begins repeating satellite CBUAT (Ch. 11) Trail, B.C. (p. 11).

**TV CODE CONFERENCE** to strengthen present regulatory systems in the industry is proposed by Ogilvy, Benson & Mather vp Hendrik Booraem Jr. (p. 12).

### Advertising

**BACKGROUND NO. 10:** Nine ad organizations—who they are & what they do (p. 14).

### Educational TV

**STATEWIDE ETV IN KANSAS:** Detailed report for presentation before state legislature early in 1961 recommends a \$6.7-million 6-transmitter network, estimates annual cost at \$659,322 (p. 24).

### Other Departments

**CONGRESS** (p. 6). **NETWORKS** (p. 15). **FOREIGN** (p. 15). **PERSONALS** (p. 16). **TECHNOLOGY** (p. 16). **FINANCE** (p. 24).

**LOCATION ACTIVITY—2 DROP-INS SHAPING UP:** Third commercial vhf channels for Syracuse and for Rochester are in the works. FCC is proposing regular-spaced drop-ins, after clearing the way with the new, nearly-completed Canadian agreement (Vol. 16:43 p2). Move came on eve of another of Commission's numerous agonizing reappraisals of whole allocations picture—with meeting due this week.

**Commission proposed:** Add Ch. 9 to Syracuse, shift Ch. 5 from Rochester to Syracuse and Ch. 8 from Syracuse to Rochester, add Ch. 13 to Rochester. It denied all conflicting proposals, and it deferred action on petitions seeking short-spaced drop-ins of Ch. 7 & Ch. 4 in Binghamton. Syracuse & Rochester proposals, if finalized, would require WHEN-TV Syracuse to shift from Ch. 8 to Ch. 5, WROC-TV Rochester from Ch. 5 to Ch. 8. They'd be issued show-cause orders and given opportunity to protest shifts in hearings. Commission also proposed to add Ch. 4 to Superior, Neb. Comments on all foregoing are due Jan. 6.

**Commission has asked its staff to draft up pros & cons of alternative proposals for long-range expansion of TV.** They're only a starting point for discussion, we understand, but impression is that staff seems to lean most toward: (1) Using both vhf & uhf, but taking strong measures to enhance future value of uhf, or (2) shifting all to uhf eventually. (For more on staff discussion, see p. 4).

**AFTRA-SAG ARMISTICE:** An aura of cautious optimism surrounded the talent strike last week. Although both sides have shown they mean business and major network-&-spot strike has been hanging in balance since Nov. 5 (Vol. 16:48 p2), networks last week resumed talks with AFTRA & SAG.

Network we-won't-budge stand has been abandoned, and both sides seem in mood to negotiate a settlement. Describing situation as "favorable," AFTRA is now willing to talk about a 3-year contract, whereas previous union demand was for only 2-year deal. On other side of fence, networks reportedly are easing on such demands as bigger discounts for multiple performances and closed-circuit performances at less than regular network rates.

"Agreement-in-principle" was reached Dec. 1 between negotiating teams, who made joint announcement that peace feelers cover "all substantive areas." Now talent unions will put proposed agreements before their respective national boards for approval, and ultimately to their memberships for ratification. Meanwhile, further N.Y. & Hollywood meetings between negotiators, to draft agreements embodying new terms & conditions, will be held.

Final agreement hasn't been reached between unions & networks, by any means. Advertisers & agencies don't like sizable pay hikes that would be due to talent under the "unit system" which the AFTRA-SAG alliance is seeking (Vol. 16:46 p6). They will meet union demands only if forced to—or if unions ease their proposals to achieve compromise.

**FORUM FOR AGENCY REFORMERS:** Nearly everybody at Senate hearings last week complained about deficiencies & inefficiencies of federal regulatory agencies, but there was almost no agreement among 16 expert witnesses on what should be done to reform them.

Better qualified men to head & staff agencies are best answer to perennial problems, President-elect Kennedy's special advisor James M. Landis told Judiciary Administrative Practice & Procedure Subcommittee. His testimony wound up 4 days of sessions which were intended—hopefully—by Chmn. Carroll (D-Colo.) to draw policy guidelines for upcoming Democratic administration.

"Greatest potential" for improvement in regulatory operations lies in permanent advisory assembly as proposed by his organizing committee for White House Conference on Administrative Procedure, said Court of Appeals Judge E. Barrett Prettyman (Vol. 16:48 p5). President Eisenhower's agency specialist, he was lead-off witness in hearings, which marked umpteenth time Congressional committees had tried to produce sure cures for agency ills.

In-between testimony ran every which way (see p. 5).

**HARTFORD PAY-TV GO-AHEAD RECOMMENDED:** As anticipated by pro-&con parties in proceedings, FCC's Broadcast Bureau last week urged that Zenith-RKO General's Hartford Phonevision be given green light for 3-year tryout of pay TV on WHCT (Vol. 16:44 p1 et seq.).

"No substantial reason why the public interest would not be served by a grant of the pending application" could be found in record of October hearings, Broadcast Bureau said in 94-page "Proposed Findings & Conclusions." Commission can be expected to go along with staff.

"No undue risks of jeopardy to the public interest would be involved" in permitting Hartford Phonevision to try to prove that its pay-as-you-see system will work, FCC attorneys Louis C. Stephens, Sol Schildhause and Arthur H. Bernstein agreed in their review of pioneering proposals.

"Proposed operation coincides in all important respects" with Commission's test requirements in 1st & 3rd reports on subscription TV, they said.

Endorsement of Hartford plans was qualified by Broadcast Bureau in 7 proposed operational conditions, however: (1) "Faithful compliance [with] the letter & the spirit" of FCC's pay-TV policies. (2) Observance of all FCC rules "which are not clearly incompatible." (3) Careful review by RKO of all pay-TV promotional material prepared by Zenith & its programming arm Teco. (4) RKO must "safeguard against misleading representations to the public." (5) FCC is entitled to full information on "any aspect" of Hartford operation. (6) Copies of all programming agreements must be furnished to FCC. (7) Field surveys of potential pay-TV market must be completed before operations start.

Violently-opposed proposed findings of fact were filed—as expected—by applicant Hartford Phonevision and by theater interests which fought application.

"The proposed trial is essential so that private enterprise may gain access to the market place which, in the final analysis, is the ultimate testing ground for all new business," said W. Theodore Pierson for Hartford Phonevision.

"Commission has no alternative" but to reject application, argued Marcus Cohn for Conn. Committee Against Pay TV and other theater groups. Cohn contended that grant would lead to programming monopoly by pay TV, that all in all, effect on free TV in Hartford area would be "disastrous."

**FCC AGAIN PONDERS CATV LEGISLATION:** Only a few trouble spots remain in station-CATV relationships, according to Chmn. Ford (Vol. 16:47 p8), but Commission still wants new authority to deal with those. Last week FCC discussed legislative proposals but didn't come up with final language.

Current FCC approach, it's understood—and it may well prevail—is to ask for very broad powers and to indicate "examples," in law itself, of how powers would be used. This is precisely the route taken when Commission recommended that it be given authority to regulate networks (Vol. 16:21 p6). FCC's recommendations didn't come to vote. In its network-legislation suggestion, FCC proposed that it be allowed to: "Issue such rules & regulations with respect to . . . networks, as the Commission may determine to be necessary or appropriate to assure that the policies, practices, and activities of such networks shall not adversely affect the ability of broadcast licensees to operate their stations in the public interest. Such rules & regulations may include, but shall not be limited to . . ." Commission proceeded to list 11 specifics.

Similar language is being considered for CATV, we gather. Question, of course, is: "What are the specifics?" Good guess is these:

(1) Power to prohibit or limit CATV duplication of local-station programs whenever Commission believes it necessary to keep station going.

(2) Authority to require CATVs to carry local-station signals.

Out the window, it's believed, is Commission's former recommendation that CATVs be required to get originating stations' consent to redistribute their signals. Commission is expected to wrap up its ideas in week or two.

**LIVE TV AT WHITE HOUSE:** Another milestone in TV's coverage of public affairs is in sight. President-elect Kennedy, who has said he couldn't have won election without "Great Debate" series (Vol. 16:46 p1), may open his press conferences to live TV after he takes office.

"We still are a long way from any decision," Kennedy press secy. Pierre Salinger said last week. But he confirmed reports that White House precedent may be made by permitting TV & radio crews to put conferences on air as they happen. There'd be no fixed TV schedule, Salinger said. Under plan contemplated by Kennedy, live Q-&-A sessions between reporters & President would be arranged only occasionally—some at night—to assure maximum viewing audience. It's said that Kennedy was thinking of 7 p.m. as good White House programming hour.

Networks won right to carry filmed conferences under President Eisenhower, who broke new press ground by permitting cameras, recordings and verbatim quotations. Eisenhower press secy. James C. Hagerty reserved right to edit films & transcripts before they were released, however. And although editing restrictions never amounted to censorship, they resulted in delays in airing of conference films.

One network response to prospective new freedom for TV came from ABC spokesman who said his organization is "very happy about it," and is eager to carry White House proceedings live. CBS & NBC had no immediate comment. If & when Kennedy approves live TV, there'll be time enough for networks to find answers to such scheduling questions as how much pre-empted time to allow for conferences—the duration of which has always depended on reporters' questions.

Outlook for live TV reporting is clouded, however, by reported recommendations to Kennedy by Brookings Institution for more—not fewer—White House news restrictions. Editor & Publisher said secret memorandum prepared by non-partisan research organization urges reinstatement of pre-Eisenhower conference rules which "would eliminate direct TV & radio coverage."

"Peril of inadvertent blunder" by President at conferences is compounded when direct quotations are permitted, Brookings report says, according to E&P. "It is understood that the press conference report was written by a former newspaperman who is now in the academic world," newspaper trade paper said.

## The FCC

### More about

**ALLOCATIONS ANALYSES:** No FCC problem, except possibly AM clear channels, has received such thorough discussion & analysis as TV allocations (see pp. 1 & 17). The Commission is due to dig into the subject again this week, and, as is customary, it has had its staff present an evaluation of alternatives.

Our impression is that the staff has put substantial emphasis on ways & means of making vhf & uhf work together in order constantly to improve uhf while not hurting the vhf service. Some of its suggestions:

- (1) Abandon the short-spaced "interim plan" for vhf.
- (2) Make no more vhf grants whatsoever.
- (3) Turn over to non-broadcast mobile services all unused vhf assignments, possibly also requiring TV to share its vhf channels with such services—the latter to be located beyond normal TV contours, however.
- (4) Make uhf channels available on a first-come, first-served basis, dropping the table of specific city assignments & granting CPs according to the best engineering practices possible. FCC, not the applicant, would specify the channel. Operating uhfs would be permitted to go to lower channels.
- (5) Ease some technical restrictions on uhf until they're needed.

The thinking behind the foregoing is something like this: Everyone would know that TV henceforth will expand only into uhf. Vhf operators would be happy because they would not be disturbed. Uhf operators would appreciate that TV would grow only in their direction, that their ranks would gradually be augmented. Non-broadcast services would get some relief for their growing needs for more vhf spectrum; they might even operate on adjacent channels to TV, provided a 1-mc guard band is used. Abandonment of the uhf table of assignments would encourage applicants to get in early to nail down low channels. Uhfs could build more cheaply if they didn't have to buy such things as vestigial sideband filters. And, finally, even if the plan doesn't work well after a few years, no one has been hurt and the FCC can still go back to considering other ideas.

A move to all-uhf seems to have a fair amount of support among Commission staff members. They note that many uhfs are rendering excellent service where they have little or no vhf competition, and they assume that much of the country, if not all, could be well served by uhf—but they acknowledge that it isn't yet known how well uhf could cover New York City. The big question: How to shift to uhf? Here are some staff suggestions:

- (1) Announce all TV to go to uhf in, say, 5 years.
- (2) Draft a new all-uhf assignment table.
- (3) Grant no more vhfs in uhf-only cities.
- (4) Grant vhfs in a few markets where they're badly needed but require them to simulcast on uhf.
- (5) Make all vhfs build uhfs and simulcast within about 3 years.
- (6) Ask Congress for new laws which would permit fast shift of vhfs to uhf without extensive hearings, court appeals and other due-process delays.

As for other alternatives, the staff notes: (1) Govt. won't give TV more vhf spectrum, so that's dead. (2) Short-spaced vhf assignments don't yield many new stations and they cut fringe service. (3) De-intermixture doesn't offer major national expansion possibilities.

It should be made clear that staff analyses such as these are starting points only. They by no means indicate what the Commissioners will eventually do.

**FCC's Spot Watchers:** NAB Radio vp John F. Meagher, reported last week to the association's radio members on the results of the informal FCC-NAB conference on the Commission's spot-counting practices. Filling out the impressions we had gleaned (Vol. 16:48 p5), he reported:

"The staff of the Commission employs certain processing tools which are applied in the review of renewal applications. One of these is the number of spot announcements. If the renewal application reveals more than a certain number of spots—roughly 1,000 [per week]—it is set aside for further staff review.

"This does not mean that the application will be set for hearing merely because the number of spots exceeds a given number. Rather, it is used to 'flag' the application for further review in all of its aspects, with particular reference to 'promise' vs. 'performance' . . .

"This does not mean that every departure from the preceding application statements is to be regarded as important or material. Where a substantial change has occurred, however, reflecting a sharp difference in the number of announcements or in other aspects of programming, the Commission usually requests further explanation from the licensee . . .

"The Commissioners indicated that one of the greatest problems in this area has been the failure of licensees to 'tell their story' adequately. By this is meant that adhering strictly to the form does not always give sufficient information upon which an informed judgment may be made. For this reason, it is indicated that in the very near future there will be a formal proposal to modify the existing renewal forms . . .

"Finally, the Commissioners pointed out that while many informal inquiries of licensees have been made, very few have necessitated the formal 309(b) letter of the Communications Act. Moreover, even in these few cases, there have been factors involved other than a quantitative analysis of a station's spot announcement policy."

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Reasons for uhf CP cancellations (Vol. 16:48 p6) were spelled out by FCC in the text of its decision released last week: "We believe that none of the applicants herein—all of whom, at the time they obtained their construction permits, stated they would construct the subject station, and who now substantially state that they do not intend to commence construction—have demonstrated that their failure to construct was due to causes not under their control. The applicants have failed to satisfactorily demonstrate that they could not have physically constructed their stations . . . Applicants propound arguments which *inter alia*, contain contentions bearing on matters of applicants' business judgment and the availability of TV sets capable of receiving uhf signals. The former argument concerns matters solely within the business judgment of the individual applicant. The alleged non-availability of uhf receivers also involves the matter of business judgment, since it bears on the availability of an audience. In connection with the foregoing, we emphasize that the Commission is not compelling the applicants to construct facilities for which they have applied. On the other hand, we do not feel that it is in the public interest to have these construction permits outstanding, when the applicants have no intention of going ahead with construction in the near future. It is in the applicants' choice to build or not. Since they do not choose to build and the reasons they have advanced do not involve causes beyond their control, their applications for further extensions of time within which to construct their stations should be denied." Comrs. Hyde & Lee dissented.

## More about

**HOW THEY'D REFORM THE AGENCIES:** Last week's Senate hearings (see p. 2) brought out, among others, these thoughts from witnesses who wished to aid in improving operation of federal regulatory agencies:

Separate administrative courts to take over some judicial functions of the agencies were advocated by American Bar Assn. spokesman Donald C. Beelar, who was backed up by a panel of 4 other ABA leaders. "We have witnessed in one generation a gradual shifting of legislative power from the Congress to the agencies, and a grant of judicial powers to the agencies rather than the court," Beelar protested. He complained that for 25 years "committees, commissions and conferences" have probed problems & accomplished little.

An over-all Office of Administrative Procedure should be set up to police agencies much as the Inspector-General now reviews actions of the Armed Forces, Columbia U. Prof. Walter Gellhorn told the Judiciary Administrative Practice & Procedure Committee. With "deference & diffidence" he also suggested that Congress could spend its time better than by headline-hunting for instances of misbehavior by govt. regulators.

### **Super Commission Termed Impractical**

"Almost impossible task" was FPC's retort to suggestions that a super commission should provide "guidance over the vast array of administrative agencies in order to force conformity." Regulatory bodies "operate under such diverse statutes that wide-scale procedural uniformity is a practical impossibility," said FPC Chmn. J. K. Kuykendall in a statement read by FPC gen. counsel John C. Mason.

"More freedom of action" is required by agencies to cope with "delays & backlogs" of cases, said Budget Bureau's deputy dir. Elmer B. Staats. "There is evidence," he reported, "that formal hearing processes are used when modern fact-finding & data-processing techniques could provide better information more quickly & at less cost."

"Radical reorganization" must be undertaken, insisted ex-CAB member Louis J. Hector. To start with, he proposed that at least 4 of the Big 6 agencies—FCC, CAB, FPC, ICC—should be removed from "independent" status and placed directly under White House control. In any event, Hector said, it's long past time for action.

"The basic soundness of the regulatory system" has been proven by "time & experience," countered CAB Chmn. Whitney Gilliland. He argued that what's needed most of all is a stiff law providing criminal penalties for agency litigants who try to subvert the system through backdoor influences. Subcommittee member Dirksen (R-Ill.), Senate Minority Leader, disagreed on the need for legislation on ethics. "It just won't work," he said. AEC Comr. Loren K. Olsen testified that his agency required no such law.

"It is popular to slug our govt. right & left," Civil Service Commission Chmn. Roger W. Jones observed. But he said agency employees—particularly lawyers—should be spared unfair criticism. One way to improve agencies, Jones said, would be to give legal staffs Civil Service protection from the constant danger of dismissal.

**Note:** For once, much-battered FCC came in for little specific criticism at Senate hearings. Stressing that he wasn't trying to run a Legislative-Oversight-type investigation (such as won FCC headlines for House Commerce Committee), Chmn. Carroll called no FCC witnesses. He was just trying "to come to grips with the fundamental problems," he said.

**KWK 'Fraud' Conference Set:** Milwaukee Bcstg. Co. management will go into pre-hearing conference Dec. 8 with FCC hearing examiner Forest L. McClenning on Commission's move to revoke the license of radio KWK St. Louis on fraud charges (Vol. 16:45 p2).

In setting the date for the conference, McClenning ordered a scheduled Dec. 1 hearing for the station continued. KWK meanwhile demanded a bill of particulars from FCC, protesting that Commission's complaints against the station weren't explicit enough for preparation of a defense.

The KWK revocation proceedings were based on allegations that the public was defrauded by treasure-hunt & "bonus club" contests conducted by the station. The case against Milwaukee Bcstg. Co. (which also operates radio WEMP Milwaukee) was developed by FCC's new Complaints & Compliance Div.

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"Sanctions may be invoked," FCC warned 37 stations which have failed to respond to the Dec.-1959 questionnaire on payola. The Commission said that these are the laggards: KASL Newcastle, Wyo.; KCKC San Bernardino, Cal.; KDIX-TV Dickinson, N.D.; KEYT Santa Barbara, Cal.; KFUO-FM Clayton, Mo.; KFML Denver, Colo.; KHAM Albuquerque, N.M.; KIHN Hugo, Okla.; KHPC-FM Brownwood, Tex.; KKAS Silsbee, Tex.; KMEQ Omaha, Neb.; KORK Las Vegas, Nev.; KROC-TV & KROC Rochester, Minn.; KTER Terrell, Tex.; KTRY Bastrop, La.; KUEQ Phoenix, Ariz.; KWNA Winnemucca, Nev.; KZEV Tyler, Tex.; WAIM-TV & WAIM Anderson, S.C.; WAND Canton, O.; WCBQ Whitehall, Mich.; WDIX Orangeburg, S.C.; WDLT Indianola, Miss.; WDXR Paducah, Ky.; WFPR Hammond, La.; WGIR Manchester, N.H.; WLAQ Rome, Ga.; WLSB Copperhill, Tenn.; WMAB Munising, Mich.; WMRP Flint, Mich.; WMDD Fajardo, P.R.; WORX-FM Madison, Ind.; WQMM Memphis, Tenn.; WVNA Tuscumbia, Ala.; WNCO-FM Ashland, O.

Defense of Conelrad and praise of industry for its cooperation was offered by FCC Comr. Lee Nov. 30 in an address before the National Assn. of Railroad & Utilities Commissioners meeting in Las Vegas. "There are those who feel," he said, "that Conelrad is obsolete in this day of the guided missile & high-speed jet aircraft. However, let me say that only last March the Dept. of Defense re-evaluated Conelrad, and has concluded without qualification that it is a military must for the foreseeable future, perhaps 10 years. We are obliged to accept these expert opinions, and to do our best to provide the best type of emergency backup for existing communications."

Westinghouse's multiple-ownership petition, long on file with FCC, appears likely to get favorable action. WBC argued that minor stockholdings shouldn't be counted against a widely-held corporation when the Commission tallies station holdings. It's understood that the Commission is inclined to discount holdings up to 5%—provided the holder is neither an officer nor director and has no substantial voice in management. If the Commission's inclination persists, it will start rule-making proceedings to put the changes into effect.

Conelrad tieup with AP & UPI is fine, Gale Mix, pres. of the Ida. Bcstrs. Assn., decided after learning more about it (Vol. 16:48 p13). He wired Defense Dept., withdrawing his protest, after getting details from FCC Conelrad chief Kenneth Miller.

Sponsorship announcement waiver for filmed & taped TV & radio programs supplied by the National Council of Churches has been denied to that organization by FCC. No "substantial allegation of hardship" was shown by the Council's Bctg. & Film Commission in asking that application of the Communications Act's Sec. 317 be lifted for its programs, FCC said. The opinion & order added that Commission wasn't "persuaded that the 'loss' of the few seconds required for the identification of this material is an important decisional factor" in the Council's programming.

North Dade Video asked the Court of Appeals last week to instruct FCC to reinstate it as an applicant for Miami Ch. 10. That channel was won by L. B. Wilson by default in the "influence" case against National Airlines' WPST-TV (Vol. 16:29 p1 et seq.). North Dade said FCC acted "arbitrarily & capriciously" in excluding it as an applicant. Its claim for Ch. 10 should be judged "free of demerit" on a comparative basis with L. B. Wilson, North Dade said.

FCC show-cause order has been issued against Mandan Radio Assn. (radio KBOM Bismarck-Mandan, N.D.), calling on the station to explain at a hearing why its license shouldn't be revoked. The Commission cited "unauthorized relinquishment of control and other violations" of rules.

Political-broadcast questionnaires are still slow in arriving at FCC, the Commission noted last week. In addition to delays caused by inadequately answered station forms (Vol. 16:48 p5), there's a holdup in network responses that is produced by the failure of many affiliates to report their clearances of political broadcasts. Deadline for all replies is Dec. 5.

First vhf translator CPs complying with new FCC rules have been granted to Mexican Hat Assn., Mexican Hat, Utah, on Ch. 3 & 6. Also granted last week: Ch. 80 & 82 uhf translators to Dubuque Area Translator Co., Dubuque, Ia.; Ch. 80 uhf translator to Blacktail T.V. Assn., Big Fork, Mont.

Compatible single-sideband AM operation was endorsed last week by RKO General, which told FCC that the system would produce improvements in many areas.

Upcoming special FCC meetings: Dec. 5, TV allocations; Dec. 8, legislative program & station renewal forms; Dec. 9, AT&T earnings; Dec. 29, FM stereo rule-making.

## Congress

Swan-song report on 3 years of investigations of the broadcasting industry & FCC may be polished up next week by the House Commerce Legislative Oversight Subcommittee under Chmn. Harris (D-Ark.). Preliminary drafts of the final report reviewing the Subcommittee's hearings & legislative recommendations were worked over Nov. 28 by members & staff. Harris said he expects to have it ready when the 87th Congress convenes Jan. 3, when the legislative life of the Subcommittee will end. He has indicated he won't ask the new Congress to renew it (Vol. 16:37 p10 et seq.).

TV network spokesmen may be called by Chmn. Davis (D-Tenn.) as witnesses at Dec. 15-16 hearings by the House Campaign Expenditures Committee on what to do about length & expense of Presidential electioneering. Davis said he hoped the hearings, at which Democratic & Republican leaders will be main witnesses, will produce "substantive" suggestions for cutting down the duration & costs of campaigns.

## Programming

**BIG FEATURE DEAL:** Screen Gems last week jumped into the front ranks of film distributors selling post-1948 features to TV with one of the biggest kickoff deals: The long-term lease of 200 Columbia Pictures-controlled features to the 5 CBS-TV o&o's. Also included in the package were 75 pre-1948s, the last of a Universal-International library being distributed by Screen Gems. The deal, for an estimated \$12 million, is the largest made by any of the CBS stations since they signed the MCA-distributed Paramount pre-1948 backlog. It is significant on a number of counts:

### Screen Gems Placed in Post-1948 Lead

1. It's the first TV release of movies from Columbia's 400-picture backlog of post-1948s, and puts Screen Gems squarely into competition with other distributors of post-1948s such as NTA, Flamingo, UAA, Programs for TV Inc., and 7 Arts (Vol. 16:34 p3).

2. It virtually puts an end, at least for several years, to any CBS-TV network plans to launch a late-night show series against Jack Paar on NBC-TV. The CBS-TV o&o's, vital to any such series, are hardly likely to drop late-night local feature programming in favor of network service.

3. It strengthens the feature-library position of the CBS o&o's considerably—and even rival stations generally concede that the CBS outlets, particularly WCBS-TV N.Y., have the heftiest collection of new-to-TV movies and high-rated feature blockbusters in their respective markets. The CBS stations have been pace-setters in selling full sponsorships of hand-picked features as local specials.

4. Because TV devours feature films with an inexhaustible appetite, Screen Gems intends to see that the audience values of the films aren't exhausted through constant exposure—as much for the stations' protection as the pictures'. Accordingly SG plans to make safeguards against rapid wear-outs a contract condition for its sales in other markets. They will model the exposure patterns and multiple-run privileges on those in the CBS deal.

5. Although the CBS o&o's bought the whole 200-plus-75 feature package, Screen Gems isn't dropping it into the film market as a giant block. In line with the thinking of most film distributors today, SG has put an individual price tag on each picture, scaled to market size & picture's importance. And the group will be released into the market in small packages over an extended period of time, rather than dumped quickly as were the original pre-1948 RKO and Warner Bros. packages.

### Bulk of Package is Pre-1956

Movie exhibitors will hardly welcome the news of the Screen Gems-CBS o&o deal (larger by far, incidentally, than any deal announced to date by 7 Arts on the sale of its 200-odd post-1948 Warner Bros. films, see below). But the exhibitors can find some comfort—however cold—in the deal: (1) The 200 pictures are nearly all "early" (1948-1955) post-1948s. (2) Several contain stars (Broderick Crawford in "All the King's Men," Fredric March in "Death of a Salesman," etc.) who are more likely to appeal to adult TV viewers than to the teen-aged moviegoers who comprise the bread-&butter of moviedom's remaining popcorn palaces. In N.Y. last week, for example, the big draw on the RKO circuit was a double bill composed of "How to Make a Monster" and "I Was a Teenage Caveman." (3) Theaters, rather than TV stations or even pay TV, will get

first crack at some extra-choice post-1948 items like "From Here to Eternity" and "Bridge on the River Kwai" still in the Columbia library. Stated Columbia Pictures vp Paul Lazarus: "We are holding back those pictures which we feel will still have theatrical exhibition values."

\* \* \*

22 Hollywood-filmed post-1948s, many in color, have been acquired by Colorama Features Inc. in a \$2-million deal with Pine-Thomas Productions, which produced them independently for Paramount Pictures release. Colorama Pres. Jules Weil stated last week he plans to make some of the films in the package available for theatrical re-issue, and then distribute the whole package in TV. The fact that negotiations for the 22 features were initiated by Pine-Thomas, gave further indication of the growing interest of Hollywood producers in seeking TV revenue for their backlog. Although Paramount distributed the pictures theatrically ("El Paso," "Captain China," "Tripoli," "Hong Kong," "Tropic Zone," "Run for Cover," etc.), they aren't part of the Paramount post-1948 backlog—for which Paramount has announced no plans other than Telemeter pay-TV showings.

\* \* \*

Seven Arts' first 40-title group of post-1948 Warner Bros. pictures scored its 9th station sale recently to KVAR Phoenix. Other stations which have purchased the Warner package: WWLP Springfield-Holyoke, WBEN-TV Buffalo, KONO-TV San Antonio, WOC-TV Davenport, WTVH Peoria, WTVP Decatur, WTVT Tampa-St. Petersburg. Color is playing a major role in stimulating sales of the package, Seven Arts vp & gen. sales mgr. Robert Rich told us. Approximately one third of the stations which bought the features may eventually colortcast them. Sales deals are being discussed by Seven Arts with stations in Houston, Baltimore, Minneapolis, Philadelphia, N.Y., Chicago, Los Angeles and Milwaukee, Rich said.

\* \* \*

Another big post-1948 deal may be in the offing—between producer Sam Goldwyn & anyone who will pay the right price for a prize package of 65 top features. Goldwyn has pretty well decided not to hold out for pay TV, as he originally planned, but he demands programming stipulations & substantial dollar figures. "I've been offered as much as \$500,000 for one picture," he said, "but I've turned down all offers, because I felt that conditions were not right." The right conditions would mean one or 2 TV showings at prime times. "Pictures that cost millions & represent real creative efforts have been shown as many as 10 or 12 times over one station and at all sorts of odd hours," Goldwyn complained last week. His features include: "The Best Years of Our Lives" (winner of 11 Academy Awards), "Guys and Dolls," "The Secret Life of Walter Mitty," and "Hans Christian Andersen."

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Showcorp of America's package of RKO post-1954s has grossed nearly \$500,000 in 44 markets during the past few weeks of selling. Latest sales deals include: CBS o&o's WBBM-TV Chicago & WCAU-TV Philadelphia; WTVJ Miami; WOR-TV N.Y.; WMAR-TV Baltimore; KHJ-TV Los Angeles; WFAA-TV Dallas. Some of the newest features in the firm's "big 12" package: "Bundle of Joy," "Susan Slept Here" "New York Confidential." To date, Showcorp. has distributed 50 RKO post-1948s and has some 25-to-30 more films about to go into syndication.

"Not guilty," pleaded Charles Van Doren to a charge of perjury Dec. 1 in N.Y. Special Sessions Court. The plea followed a clash between Van Doren's lawyer Carl J. Rubino and Justice John M. Murtagh, who adjourned the cases of 9 other former TV quiz contestants (Vol. 16:13 p16) until Jan. 13. (This group has motions pending in General Sessions aimed at testing the legality of the informations.) Rubino had asked for a few days to decide whether he would join the General Sessions motions. Justice Murtagh denied the request, saying he had "indulged" the defendant long enough, and insisted that a plea be entered. Rubino said his client "has admitted lying before the grand jury, to Congress, to the district attorney and to the world, and that he is ready to take his medicine." Calling the demand for a plea "shocking & unreasonable," he added "we are forced to plead not guilty under the circumstances." Van Doren's case will be tried on Jan. 18. Six other former contestants pleaded innocent.

Walt Disney-NBC deal was signed last week, after weathering an on-again-off-again period of several months (Vol. 16:6 p8). Disney, once a mainstay of ABC-TV's nighttime lineup, will now produce & host a weekly series of 60-min. color-film programs plus color specials ranging from live entertainment to full animation. Announcement of the deal came Dec. 2 from Disney Productions Pres. Roy O. Disney and NBC Pres. Robert E. Kintner. Meanwhile, the *Walt Disney Presents* series is still slotted on ABC-TV, Sun. 6:30-7:30 p.m. New Disney shows on NBC probably won't appear before the fall of 1961. Not involved in the deal: Disney's backlog of some 3 dozen post-1948 color pictures ("Treasure Island," "Robin Hood," "Lady & the Tramp," etc.). But NBC hopes to tap the backlog for an occasional holiday special, following CBS-TV's arrangement with MGM's "The Wizard of Oz."

Students spend too little time on homework because of nighttime TV viewing, reported 3 out of every 4 elementary school teachers surveyed by the National Education Assn. The study, published last week in the NEA journal, polled 1,149 elementary & secondary school teachers representing 42,000 U.S. school districts. Major finding: The conflict between TV & homework is greatest in large towns & city areas. In school districts with more than 500 teachers, only 1 in 10 said TV did not hurt home study; smaller districts showed a 1 to 7 ratio. Of the teachers queried, 57% felt that TV "restricts" homework time, 24% said school work "suffers seriously" and 13% believed that TV doesn't affect homework at all. A breakdown into elementary and secondary teachers indicated that TV troubles mount on the high school level. Among this group, 28% called TV a serious handicap, only 8% said TV did not interfere.

Highest rating yet received by a public-affairs program in 1960 was scored Nov. 29 by the first of NBC-TV's *White Paper* series. The kickoff show, a blunt-if-belated look at the Eisenhower administration's handling of last May's U-2 incident, drew a 7-city Arbitron rating of 20.6, vs. ratings of 23.1 for *Garry Moore Show* on CBS-TV and 10.0 for *Alcoa Presents* on ABC-TV. Audience share for *White Paper* was a whopping 32.7%. Half-sponsor of the show was Timex Inc., in recent seasons a bankroller of star-name jazz & entertainment specials, but which has now signed for co-sponsorship of 6 NBC *White Paper* shows.

KDKA-TV Pittsburgh spiced its late-evening announcement of the birth of President-elect John Kennedy's son with a documentary film detailing a Caesarean birth. The educational embellishment "kept the switchboard ringing with compliments," reports the station.

## Film & Tape

**GARNER'S VICTORY OVER WARNERS:** In a dramatic & surprisingly quick verdict, Los Angeles Superior Court Judge Arnold Praeger ruled Dec. 1 in favor of James Garner in his dispute with Warner Bros., thus freeing the *Maverick* star from his contract. Judge Praeger said he would decide later on the amount of damages Garner should receive from Warners in his breach-of-contract action (Vol. 16:48 p9, 47 p13).

The Judge said that "Warner Bros. had no justification for laying Garner off, particularly in view of the testimony of Jack L. Warner (WB pres.)." Garner wept when the verdict was announced. He told us, "I'm so happy, I don't know what to say now that I'm free."

Warner Bros. had invoked the *force majeure* contract clause against Garner and Jack Kelly, stars of *Maverick*, and Clint Walker, *Cheyenne* star, last March 3, on the grounds that it couldn't get scripts because of the writer strike, which began Jan. 16. Garner then claimed this to be a violation of his contract—which made him a free agent. Warner sued for breach of contract, and Garner counter-sued for release from his contract as well as \$106,000 damages. (Kelly and Walker were restored to the Warner payroll.)

A crucial point in the argument of Garner attorney Martin Gang revolved around the interpretation of *force majeure*, and his contention may be precedental. Gang argued it was not enough under *force majeure* for a studio to show it was hampered by a strike. It was required also to show its "inability" to produce films, because the writer strike, by testimony of Warners' own executives, did not prevent that company from continuing production.

### May Affect Future Force Majeure Clauses

Warner Bros. refused to take Judge Praeger's comments as the final verdict, and a spokesman, when asked if WB would appeal, said: "Inasmuch as the judge has not given his complete & final decision, it is not possible to make any comment." Industry attorneys were of the opinion that if Warners appeals and the decision is upheld, studio attorneys may have to rewrite *force majeure* provisos to avoid Garner-type litigation.

Garner immediately received offers to star in movies from 3 major studios, including MGM and 20th-Century Fox. "I don't really know yet what I'm going to do," he told us. "We haven't allowed ourselves to think past this point. I'll do a couple of [theatrical] features a year, but no TV." He & his agent will mull the various offers being made, then reach a decision, he said.

Warner witnesses included Pres. Jack L. Warner, vp-TV executive William Orr, exec. vp Steve Trilling, Orr's assistants Harold Hugh Benson and Richard Bluel, producer Coles Trapnell and asst. story ed. Carl Stucke.

Through the testimony was woven a story of how WB acquired approximately 100 scripts during the WGA strike which began Jan. 16 and ended June 20. Also disclosed was something the trade had long suspected—that Warners frequently took a story which had been used in one series and adapted it to another.

At times the trial was deadly serious, at others amusing—as when Judge Arnold Praeger confided he had never seen a *Maverick*, adding: "They are not within the range of my cultural background." His comment on Westerns generally: "I've often thought that if they had a factual background, the West would have been depopulated."

Orr, the initial witness, testified that when the immin-

ence of the strike was apparent, "we exhorted everyone to use any means possible to find material & people who could make shootable scripts. We asked writers to work for us. We had no legal obligation to keep them from writing during a strike."

He said that when the strike came, seasonal production on *Maverick* and *Cheyenne* was finished, and while the first *Maverick* of the 1960-61 season had been produced, there were no further scripts. Continued Orr: "We had some success in getting scripts on various series, but not with *Maverick* and *Cheyenne*." He termed *Maverick* an unusual series, requiring skilled writers who could understand the offbeat character of its 2 heroes.

Orr testified that there was no written agreement between Warners and ABC-TV which shows the series. He said that when ABC-TV had renewed *Maverick* last December, he had told producer Coles Trapnell to get as many scripts ahead as possible because of the strike threat. Warners then began interchanging scripts between series, and at one point Trapnell "converted" 3 *Cheyenne* scripts into *Alaskan* episodes. However, "we felt the continuation of this policy would lead to a reduction of overall quality," Orr testified. He said he'd told Warner that "strike or no strike, we will continue making TV pictures," and all series were completed.

### Enter: Jack L. Warner

Last Warner witness was Pres. Jack L. Warner, who described the key March 2 meeting as a "general business conference," and recalled that at that session it was said that "they could keep going by re-adapting old scripts." Warner said the studio had hiked its TV production from one to 8 hours a week, and it could well go back to one if its shows didn't have quality.

He testified that he had made the decision to invoke the *force majeure* provisions of the contracts of the 3 actors involved as "good business judgment." "If the circumstances came to the point where we couldn't proceed with any show, naturally we would take advantage of that clause," he remarked.

Asked if the studio's TV arm had met its commitments, he replied, "I don't know. I imagine they did, because I didn't hear anyone complaining." He said he didn't recall setting a date for invoking the *force majeure* provisos. He said that while he had made the decision then, it may have been weeks later before it was put in force. Gang told him it was a part of the record that Garner received his suspension notice March 3.

"We had work for Garner, a movie, 'Fever in the Blood,' but he wouldn't show up," said Warner. (Garner denied ever having been offered this picture.)

Warner admitted under cross-examination that just before Garner was placed on suspension, the studio had arranged for him to appear as a guest on a Bob Hope TV show, with WB & Garner to split the \$10,000 fee. Asked by Gang if he had given any consideration to other such work for the actor before placing him on suspension, Warner indignantly said "I'm not a booking agent." Asked if Warners' series were on ABC-TV, Warner replied "I don't know. It's all done in N.Y."

Asked about an April press release to the trades in which he was quoted optimistically in regard to Warners' TV & movie production, Warner acknowledged that he had not only made the quote but, "I wrote the release." Quizzed about the statement which came in the midst of the strike, Warner hedged and said some of his quote was true, some of it wasn't. "You have to be optimistic in this business. It's what we call good propaganda," he said.

## NEW YORK ROUNDUP

Electronic journalism was probed in a workshop session of the Sigma Delta Chi (journalistic fraternity) convention in N.Y. Dec. 1. Participating in the after-lunch discussion were Sig Mickelson, CBS News pres., Jack Gould, *N.Y. Times* TV-radio critic, and Gilbert Seldes, dir., Annenberg School of Communications, U. of Pa. Moderating the discussion was William Small, WHAS-TV Louisville news dir. & chmn. of Radio-TV News Dirs. Assn. Accepting the group's first Freedom Award, Rep. John E. Moss (D-Cal.), chairman of the House Subcommittee on Government Information, predicted that the Kennedy administration will release more govt. news to the public than ever before (see p. 3).

Another "pilot salvage" is due on NBC-TV Dec. 13. This time it's 60-min. *O'Conner's Ocean*, starring John Payne as a sea-going lawyer. Directed by Earl Bellamy from a script by associate producer Tony Barrett, the show was originally planned by NBC as a 1960-61 nighttime entry, and was financed through NBC. Eager to recoup its investment, NBC will now give it the same one-shot special treatment given *Rivak, the Barbarian* earlier this year.

**Goodson-Todman Productions** has signed deals in N.Y. for 2 new NBC-TV program projects. One is for *Say When*, a Mon.-Fri. daytime audience-participation show in which home viewers, according to NBC, will "match their own shopping skill against the studio players." The series, which will star Art James, former announcer on *Concentration*, will be produced in N.Y. and will replace *Dough Ri Mi* in NBC-TV's morning (10-10:30 a.m.) lineup Jan. 2. The other G-T project is for a 60-min. *Las Vegas* pilot to be shot on location in the Nevada resort city as a joint production of G-T and Fenady-Kowalski Productions. The latter project, it's interesting to note, is similar to a 60-min. series planned by Warner Bros. TV.

BBC now has 2 N.Y. outlets scheduled to air its export program fare. The latest deal is with WNTA-TV N.Y., for a 30-min. documentary trilogy, *The Wind of Change*. The film series focuses on life & opinion in Africa and was scheduled to begin Sun. Dec. 4, 9:30-10 p.m. An earlier deal was signed by BBC with WNEW-TV N.Y. and WTTG Washington for *An Age of Kings*, a package of 15 Shakespearean programs (Vol. 16:44 p13).

**Cal. National Productions** is dropping its 3-year old economy rerun division, Victory Program Sales, because it no longer has an unsold backlog of TV films for rerun. VPS will reassimilate its staff into the regular CNP syndicated sales organization.

**NTA Telestudios**, N.Y. tape commercial offshoot of NTA, has developed a new single-camera technique using Ampex's latest Intersync equipment. This technique in video-tape production gives the medium a "control" factor which it didn't have before. Reported NTA Telestudios' Pres. George K. Gould: "It is now possible to shoot single scene footage on tape and electronically edit & mix the tape at a later time." Reynolds Aluminum is the first advertiser to use the new method for its Telestudios commercials."

**People:** Steve Krantz has been elected Screen Gems (Canada) Ltd. vp . . . Emanuel Gerard has been named Robert Lawrence Productions art dir.

## HOLLYWOOD ROUNDUP

**COMEDY COMEBACK A FIZZLE?**: Despite the much-touted resurgence of situation comedies on TV this season, few have delivered pay-off ratings & good critical reception. On the whole, the comeback is a dud, in the opinion of many in the industry.

Of the 1960-61 entries, Don Fedderson's *My Three Sons*, starring Fred MacMurray, and *The Andy Griffith Show* have probably won the best receptions. But the welcomes have been only so-so for *Harrigan & Son*, *Guestward Ho!*, *My Sister Eileen*, *Tab Hunter Show*, to name some.

But, Hollywood producers being a hardy lot, the present situation is not apt to stem the flow of situation comedy pilots for this & next season, and some have already been filmed. Among those still due are Revue Studio's *Mother Climbs a Tree*, Four Star Television's *The Freshman* (Gertrude Berg & Cedric Hardwicke), MGM-TV's *Andy Hardy*, Harry Tatelman's *Mack Sennett's Comedy Theater*, an untitled Ben Brady pilot, and projects from virtually every company in Hollywood.

The collective fate of the new comedies bears out the Hollywood axiom that there is nothing more difficult to do with quality than a comedy show. This is because good comedy writers—like good comedians—are at a premium. In addition, the field has been so thoroughly explored since the success of *I Love Lucy*, that the danger of imitativeness is omnipresent.

Trade reaction to the apathetic reception for comedies is that the shows aren't good—"but we can do comedy better." Producers point to a valid reason for turning out more: Obviously TV needs a balanced program diet—it can't be all Westerns & private eyes. There's a big vacuum, which comedy must fill, they say.

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MGM-TV will shoot 2 pilots in co-production with NBC—both 60-min., blueprinted for 1961-62: *Cain's Hundred*, an *Untouchables*-type show about a dedicated crime buster out to catch the 100 top syndicated-crime bigshots (and thus, theoretically, providing the basis of a series that can stretch to 100 weeks); the other a suspense anthology, *Woman in the Case*, with a series of feminine guest stars in dramas of the "Sorry, Wrong Number" variety.

Revue Studios has postponed its pilot of *Mother Climbs a Tree*, following the collapse of negotiations for Joan Fontaine to star . . . KTTV Los Angeles has finished production on 130 tapes of *Sincerely, Maria Palmer*, 5-min. series produced for syndication by the station.

**Goodson-Todman Productions** is considering reactivating its *Jefferson Drum* series . . . Ex-20th Century-Fox TV executive Irving Asher is discussing a co-production series deal with Hong Kong producer-distributor Run Run Shaw. The series would be filmed in the Far East.

Revue Studios has made a 20-min. presentation film for *Tom Sawyer*, starring Maureen O'Sullivan & Chuck Herbert. Jennings Lang supervised.

Ziv-UA study of its client list during the past year revealed that regional power & public utility companies accounted for \$1.8 million of its syndication business. Properties purchased regionally by such companies include *Miami Undercover*, *Sea Hunt* and *Lock Up*.

**IS TAXING AXING THE LITTLE MAN?** Hollywood TV-film circles are becoming increasingly bitter toward the U.S. Internal Revenue Service's method of taxation.

Many film executives contend it's an unfair arrangement, imposed because of the successful capital-gains deals made on 2 of TV film's early hit series, *I Love Lucy* and *Dragnet*. They complain that it's unjust to use 2 rare hits as the standard by which to measure a field that has a turnover of more than 40 series a year.

What producers want is a return to the cost-recovery method of taxation. Under this procedure, if a producer spent all of his production budget on a series (and he normally does), he was not taxed, because he had no profit.

But under the current, much-criticized method of amortization, IRS projects an estimated net income on his series and allows the producer to write off only 60-to-90% of his production costs. The figure is flexible, depending on an estimation of the potential income of the series.

This is what rubs producers the wrong way. The film men say that instead of being taxed on the realistic basis of the show's true costs & profits, they are taxed on its problematic rerun value. "But with the downturn in the syndication market, potential income becomes an illusory figure," one executive told us bitterly.

But IRS contends that costs should match revenue, and it bases its amortization on the producer's best judgment of the value of his series. "We have a realistic, flexible approach to the problem, based on our interpretation of Sec. 167 of the Tax Code," one IRS source told us. "We rely basically on the judgment of the taxpayer unless we find his judgment is not in conformity with the facts." Moreover, points out IRS, comparatively few decisions regarding TV film makers have been appealed, although hundreds of such decisions have been made.

#### Smaller Firms In Trouble

But the smaller, one-&-2-series companies say this method of taxation will put them out of business. Some threaten to sue the govt. to recover their payments, contending that the method is illegal. With market conditions so fluid, they ask, how can anyone accurately assess the potential value of a series?

The same producers argue that the tax puts an additional burden on them for each year a show continues, and some say that, because of this, they are ending successful series before they might normally do so. Take, for example, a series of 35 episodes, budgeted at \$50,000 each. Under the IRS amortization method, there could be a \$5,000 tax on each film, for a total govt. bill of \$175,000 at the end of the season. But the "little" producer can't ante up a tax sum like that each year the series continues, because he is frequently prevented from gaining additional revenue by a sponsor-exclusivity contract which won't allow him to syndicate his show while it's still in first run.

These smaller producers do not consider the tax to be any great hardship on the giants of TV, but the little fellows often have to borrow money to pay their taxes.

IRS officials in Hollywood told us they were well aware of the strong opposition to their amortization method, but refrained from going into detail because of 2 developing factors which may have a strong bearing on the situation.

Said Frank Schmidt, acting district dir. of IRS in Los Angeles: "We are now in the process of making quite a bit of examination in this area, but we haven't completed our study. It is being coordinated by our national office because of TV's national scope. We seek a base of facts."

The other factor: The issue is now before the U.S.

Tax Court, and much depends on the disposition of these pending cases & the current study. The cases: (1) Jack Chertok Television and Ann Sothern, concerning the Sothern series produced by Chertok, and (2) J.C.P. Corp. and Thomas Lewis, in regard to the Loretta Young series. Chertok and Miss Sothern filed their appeal in 1958, are now in the process of settling their dispute, and expect the situation to be resolved by the end of this year. J.C.P. and Lewis instituted their appeal last July 7, against a tax claim of \$1,250,000.

In Washington, IRS is expected to issue a clarifying ruling soon—but observers are inclined to doubt that it will include much of a break for the producers. Experts think that relief, if it's to come, must be given by Congress.

One of those most outspoken against the present set-up is Bob Cummings. Although his 193 episodes of *The Bob Cummings Show* have been in rerun for a year, Cummings says he hasn't yet made a cent on the show, and points to taxes as the principal heavy. In order to pay the taxes on the series during the 5 years it was in production, Cummings told us, "we had to borrow enormous sums of money from the bank."

Adds the producer-star: "I believe that in the long run we'll do better by leasing the films as MCA is doing. MCA will make a lot of money out of them, and the better it does, the better I will do."

"But in the first year I received nothing, because of distribution costs & residual payments. As owner, I waived my own residuals, although that doesn't seem right. I own 50% of the 193 films. If you own a show, you're in trouble. The govt. seems to insist that we go broke. So in my new series, I will be an employe. If you are owner & producer, you watch others taking all the fruits of the orchard, and leaving you one tree. A hot show becomes a tax target."

Concludes Cummings morosely: "The sad part of it is that Hollywood has almost disappeared as a movie capital. So here's TV—in which the creative talent took over—and now there's a chance it, too, could be destroyed by excessive taxation. I have been closed down by the govt., and our 91 employees have lost their jobs. Some don't have new ones yet. What is happening is socialistic."

Another Hollywood producer-star who finds himself in a tax bind is Ozzie Nelson, owner-producer-star of *The Adventures of Ozzie & Harriet* on ABC-TV. He is currently contesting a tax claim of \$1.1 million, covering the first 3 years of his series. The case is in the appellate div. of IRS.

Explaining his situation, Nelson told us, "I would not be allowed to sell my films if I wanted to, because I have exclusive contracts with Coca Cola and Eastman Kodak. In addition, I am not sure I will ever syndicate the films, what with David & Ricky having their own careers. But the govt. tells me 'maybe you will want to syndicate them eventually'—and taxes me on this assumption. We claim this is speculation and that they are also speculating as to the value of the films."

Nelson has a backlog of more than 300 films. ABC-TV finances his series in return for 40% interest in the show.



Robert Saudek Associates, producer of the Leonard Bernstein concert specials for CBS-TV, will syndicate the series in Europe & other overseas TV markets. The 12 Bernstein specials made thus far will be sent on tape or kinescope. The move represents Saudek's first venture into the international syndication market.

## Stations

**THAT FINANCIAL FORM 324:** Broadcasters are irked, naturally, with FCC's proposal to require a greatly increased amount of financial information in its annual questionnaire form 324 (Vol. 16:45 p3). But the Commission will give the industry plenty of time to get its irks off its chest—having last week extended the deadline for comments from Dec. 9 to Feb. 1, as requested by NAB.

Though the new form asks for approximately the same amount of information that FCC used to get up to 1953, the industry had hoped that its long-fought battle for simplification would stay won. However, we're told that the FCC move for more information was produced by the belief of some Commissioners that they can better judge a station's ability to carry out its programming plans by having more extensive financial data on hand.

Most industry complaints are focused on the proposed requirement that operators disclose their non-broadcast investments & income.

NAB has asked its members to supply it their views which will be used as a basis for NAB's comments. Radio vp John Meagher reports that about 30 comments have been received so far. Of these, he says, about 80% have objections to various aspects of the FCC proposal, while the balance say they don't care one way or the other.

Some operators may not be aware that the Commission keeps replies in strict confidence and therefore think their financial souls will be bared. However, most are aware of the confidential nature of their replies, but they see no public benefit in filing the data.

Actually, most are irritated with the work involved. To smaller stations, it's quite a headache.

If the Commission goes through with its revision plans, the new form won't be adopted until well into 1961. Therefore, broadcasters won't have to use the form until they get it in 1962, covering 1961.

One broadcaster termed the move "a step backward." "I have the feeling that the FCC believes it's on the spot and must make a showing to Congress," he said. "I imagine that the Hill has asked for data that the Commission doesn't have—and it wants to be able to comply."

Another broadcaster had similar thoughts: "I think that the FCC is reacting to political & other pressures, and deems it necessary to give off an aura of more intensive regulation. But there's such a thing as overdoing it. The Commission should gather only the information it needs for legitimate regulatory functions."

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WDAM-TV Laurel-Hattiesburg, Miss. has filed an application for transfer of control with FCC as follows: Wm. S. Smylie family, now 100% owner, will hold 43.75%, while S. A. Rosenbaum (11.5% of WTOK-TV Meridian) will have 43.75%, Marvin Reuben (vp-gen. mgr. of WDAM-TV) 8.33% & Jerry P. Keith (sales mgr. of WDAM-TV) 4.17%. Rosenbaum is to pay \$5,250 and assume half of the station's \$100,691 in obligations. Reuben pays \$1,000, Keith \$500. The Smylies will have a first option to repurchase the stock of Reuben & Keith.

WFRV (Ch. 5) Green Bay, Wis. has been sold for approximately \$1.6 million to George Norton Jr., owner of WAVE-TV (Ch. 3) Louisville and WFIE-TV (Ch. 14) Evansville, Ind. The sellers also are grantees for WIRM (Ch. 8) Iron Mountain, Mich.

**NEW & UPCOMING STATIONS:** Piggy-back satellite operation began in Canada when CBUAT-1 (Ch. 9) Nelson, B.C. advanced its programming target from Dec. 1 and began Nov. 25 with the Grey Cup football game. The outlet is operated by CBC as a satellite of CBUAT (Ch. 11) Trail, B.C. which, in turn, operates as an unattended repeater of CBUT (Ch. 2) Vancouver, B.C. CBUAT-1 also is an unattended repeater. It uses a 150-watt Canadian GE transmitter with an antenna on a telephone company tower. CBUAT-1, along with CBUAT, is sold as a bonus to CBUT, which has a \$680 hourly rate. The debut of the Nelson outlet raises the Canadian on-air total to 77.

Note: WTVI Fort Pierce, Fla. which began programming Nov. 29 (Vol. 16:48 p12) has \$300 base hourly rate. Rep is Forjoe.

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In our continuing survey of upcoming stations, here are the latest reports received from principals:

XHFA (Ch. 2) Nogales, Mexico, planned as a Spanish & English border outlet, has a Christmas target, reports Mort Zimmerman, pres. of Electron Corp., which is supplying the transmitter. The owners are Drs. Felipe & Francisco Arriola, with the former to be gen. mgr. The transmitter will be on 5200-ft. Cabellero Mt., using a 150-ft. tower. Base hourly rate & sales rep not yet reported.

Visalia, Cal. (Ch. 43), granted to Norwood J. Patterson's Sierra Bestg. Inc. will go on the air about Jan. 1, he reports. Patterson, who owns 40% of radio KSAN San Francisco, also owns the former plant of off-air KVVG Tulare (near Visalia), which has a 100-ft. guyed tower. It will use a GE transmitter. Sales rep not chosen.

KOAP-TV (Ch. 10, educational) Portland, Ore. plans to begin tests Jan. 15, writes Grant S. Feikert, engineer for grantee Oregon State System of Higher Education. It has a 5-kw RCA transmitter on hand, but the studio-transmitter building is only 30% completed.

KSLN-TV (Ch. 34) Salina, Kan., owned by Prairie States Bestg. (radio KAWL York, Neb.), is expected to start tests next Feb.-March, but a programming target has not been set, according to Pres. Melville L. Gleason. It has a 1-kw RCA transmitter and most of the other equipment on hand, but the plans for the studio building are still on blueprints. It will use a 221-ft. tower.

KVNU-TV (Ch. 12) Logan, Utah is planned as an educational outlet by its new owner Utah State U., according to Burrell F. Hansen, chairman of radio-TV at the school. Transfer of the CP from Cache Valley Bestg. (KVNU) was approved by the FCC last Nov. 8. Utah State will ask for different call letters and hopes to have the outlet on the air a year from now. However, all plans are tentative, depending on how the state legislature acts on a request for an appropriation. A studio with TV-tape recording facilities is being completed for the school, and it expects to use this for Ch. 12 also. Boyd Humpherys will be chief engineer.

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Anti-payola consent orders drawn up by FTC have been signed by these record firms, settling cases in which they were charged with making illegal payments to TV & radio disc jockeys: General Distributing Co., Baltimore; Triumph Records Inc., N.Y.; Jay Kay Distrib. Co., Detroit.

Transfer of KBAK-TV (Ch. 29) Bakersfield, Cal. from the Chronicle Publishing Co. to Reeves Bestg. & Development Corp. was effected Nov. 15.

**CRITICS & CODES:** A special TV code conference to strengthen present industry regulatory systems was suggested last week as an answer to the rising tide of public criticism of TV programming & commercials. The proposal came from Hendrik Booraem Jr., Ogilvy, Benson & Mather vp, at a N.Y. RTES "Roundtable" luncheon Nov. 30. In view of Ogilvy's recent decision to abandon the 15% media commission in favor of straight fees for client Shell Oil Co. (Vol. 16:47 p9), Booraem's attacks had added significance.

While conceding that much of TV is excellent, Booraem said: "The few examples of bad taste & excessive violence are a matter of deep & immediate concern to both advertisers & agencies." The problem is particularly serious for the big advertiser, he continued, because "ultimately his good name is damaged, and important advertisers are going to think about finding some place else to tell the public of their products."

Booraem was convinced that current methods of screening programs & commercials are inadequate. "Network continuity acceptance departments are put in the position of judging material to which their own managements have given prior approval." On the subject of the NAB Code he stated: "NAB is dependent for its support on the very people it seeks to regulate . . . and it cannot bring to bear sufficient weight, either of economic power or of public opinion, to force the offender back in line." Producers were also Booraem-blasted: "There are top executives of the biggest producing firms on the West Coast who are unaware that their companies have subscribed to the NAB Code. This can hardly be called active participation."

#### Calls for Single Code for Everyone

Any solution, Booraem suggested, would require "a single, enforceable code of standards" for all involved in the medium. Such a code, according to Booraem, could be worked out at a conference of representatives from ANA and 4A (see Background, p. 14), NAB, the 3 networks and the Alliance of TV Film Producers.

Comments followed from panel members E. K. Hartenbower, NAB TV Code Review Board chmn.; Joseph Ream, CBS-TV vp for program practices; James A. Stabile, NBC-TV standards & practices vp; ABC-TV vp Alfred R. Schneider; industry consultant Edgar Kobak.

The 3 network officials agreed that a conference would be useful but that final responsibility for what goes on the air should rest with broadcasters. ABC's Schneider stated: "Such a conference may serve to bring the problems out into the open and this would be a good thing." NBC's Stabile remarked: "We would welcome the Booraem conference, but first NBC would want to know what directions it would take. The continuity-acceptance department is very active, and does a good job of turning down unacceptable or tasteless material." CBS's Ream added: "Our continuity-acceptance department is not a captive office boy of management . . . These people get in from the beginning." Ream cited a recent study which showed a decrease in the number of CBS Westerns, adventures and mystery series from 16 to 9 over the past year.

But NAB's Hartenbower voiced objection to the Booraem-proposed conference. "The TV industry already has a good, workable code of self-regulation. The increase in subscribers to the Code attests to its growing importance." Admitting that all problems are not solved, he added: "We would welcome the help of advertisers & agencies and they can do this by resisting the temptation to cut corners for competitive reasons."

**NAB's N.Y. Meeting:** The question of broadcaster "freedom" was featured again at NAB's N.Y. windup conference. Eastern-area broadcasters heard opinions on it not only from Clair R. McCollough, NAB Policy Committee chmn., and Vincent T. Wasilewski, vp for govt. affairs, but even from a print-media executive—Arthur H. (Red) Motley, publisher of *Parade* and pres. of the U.S. Chamber of Commerce.

Motley bluntly urged NAB members to "stop wrapping ourselves in the mantle of righteous indignation every time someone points the finger of scorn at the news media." Stating that the TV station need not be locally owned to achieve local identity, he concluded that it "cannot hope to be as important or influential as the newspaper until, like the newspaper, it begins to think, act and 'publish' like a local medium."

NAB's Wasilewski, earlier, told broadcasters that govt. officials, friendly or unfriendly to TV, recognize "the great potential" of the medium for political power, particularly in light of the role of newspapers in shaping "the attitudes of the public." Broadcasting, he added, was not as influenced by "partisanship" as are print media.

Chmn. McCollough stressed a need for broadcasters to be "more articulate" about their industry and "the sum of our contributions to a forward-moving society." As "touchstones" for NAB's future, McCollough proposed: "A determined, organized effort to bolster the economy through ethical advertising; a dedication, within our capacities, to the cause of better education; an awareness of our responsibility to inform, fully and fairly; a comprehension of the public interest . . . and a concerted, organized effort to portray our industry to the public for what it is and what it aspires to become."

With post-1948 movies heading, in ever-increasing amounts to TV (see story p. 6), NAB TV Code Review Board Chmn. E. K. Hartenbower warned stations to screen them carefully, pointing out that several recent films had "raised a few eyebrows when exhibited in the theater." He commended the Code's personal-products subcommittee for what he termed an "affirmative" approach to commercials. "Our reception at the agency & advertiser levels has improved greatly."

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▽ TV station wages (average \$13,208 for sales mgr., \$9,568 chief eng., \$9,308 program dir., \$7,800 news dir., etc., Vol. 16:46 p11) compare with averages in the newspaper profession, as compiled by Medill School of Journalism's Prof. David E. Botter. The average annual salary of career writers, he found in a survey, is \$6,825; \$6,736 copyreaders; \$7,373 sub-editors; \$9,068 for top editorial men under managing editor. These salaries compare with such national average income as \$16,587 for physicians, \$10,220 dentists, \$7,692 engineers with 5-year experience, \$7,644 salesmen with 5 years experience, \$4,575 teachers.

Canadian allocation changes recommended by the BBG for Dept. of Transport approval: Addition of Ch. 7 to North Battleford, Sask., which will also retain Ch. 4; Ch. 3 to move from Battleford area south to Coleville-Stranraer-Kindersley, Sask. Substitution of Ch. 4 for Ch. 3 in Pivot, Alta. Designation of Ch. 10 Coronation, Alta. to change to Stanmore-Coronation.

Sale of radio KCOR San Antonio to Inter-American Radio Inc. (Ralph N. Weil, KATZ St. Louis, pres.) has been approved by FCC. Terms: \$400,000 plus \$120,000 for an agreement by the seller not to compete in the same area for 10 years.

## Advertising

**'Polarized' Animation:** A cost breakthrough for animation was promised in N.Y. last week. The current top prices (\$10,000-per-min.) which make animation one of the most expensive TV commercial forms may be reduced by a "polarized light" process from the new firm of Technamation Films.

The company is a joint venture of Martin H. Poll, pres. of Gold Medal Studios (one of the largest rental facilities outside of Hollywood), and Stanley Schwartz, pres. of Technical Animations Inc. (which has so far specialized in animation for displays, exhibits, etc.).

As applied to TV commercials, the Technamation process can "produce animated commercials at about one-third the costs of normal animation," Technamation films vp Robert Jacobs stated at a Nov. 29 press demonstration. So far, the process has been used for a series of animated TV spot announcements in N.Y. for the recent Electra City exhibition, and in experimental commercials for Goodyear, Socony and Vick Chemical.

Technamation's idea is actually a new twist to an old scientific principle. To prepare an animated drawing (such as the insides of a watch, or the effects of a nasal spray in clearing a stuffed-up sinus), a single "master cell" drawing is prepared. Those portions of the drawing to be animated are then backed with carefully-cut pieces of acrylic plastic that have the ability to "polarize" light (i.e., permit light to go through in only one direction). Beneath the doctored-up cell is a revolving wheel of polarizing material, and beneath that a light source. When the wheel turns, the start-&-stop polarity changes create differing illusions of motion in the "cell" for the regular film camera which is then photographing the "animation." By using different types of acrylic plastic pieces, several different "speeds" and directions of animation can be contrived in portions of the same master drawing.

The new company, according to Pres. Poll, is also planning to invade the TV entertainment film realm. Due for Dec. 15 release is Technamation's first 10-min. theatrical film short, "The Wonderful World of Willie Doolittle." If it is successful, a low-priced TV cartoon series will be developed along similar lines for the syndication market.

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**Farewell to Bert & Harry:** The popular (with viewers) TV commercial brother act of "Bert & Harry Piel" is no more. The production contract between Goulding-Elliott-Graham Productions and Piel Bros. was not renewed Nov. 28. The decision marks the end of a 4-year saga of humorous commercials which had much to do with spurring other advertisers & agencies into soft-sell TV commercial messages. Reasons for the move are difficult to assess since Young & Rubicam isn't talking. The agency has a hefty public relations problem on its hands, Bert & Harry having won wide public acclaim. It's said, however, that Y&R has been trying to talk Piel Bros. out of using the animated characters for about a year. Piel Bros. wouldn't hear of it —until this past summer when beer sales started slipping.

### U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
WLWT Cincinnati .....	\$1500 to \$1600	\$360 (no change)	Nov. 1
WICU-TV Erie .....	700 to 1000	150 to 180	Nov. 1
KBTW Denver .....	800 to 1000	265 to 300	Nov. 1
KRGV-TV Weslaco, Tex. ....	300 to 350	60 to 65	Dec. 1
KCSJ-TV Pueblo, Colo. ..	250 to 300	60 to 65	
KNOX-TV Grand Forks ..	200 to 210	40 to 42.50	Dec. 1
KVIQ-TV Eureka, Cal. ..	200 (no change)	35 to 50	Dec. 1

More emphasis on qualitative factors of TV audience research—is the promise of 2 research concerns, ARB and Pulse Inc. Starting with its November National Report, and continuing every other month, ARB will add new audience data analyzing "the entire viewing family structure with regard to education, income, age, heads of household and housewives per age group, and viewers per set." Additionally ARB will supply information on some specialized factors such as the percentage of homes in a show's audience with household pets, 2 cars, or a washing machine. Audience profile data (coffee & tea drinking, cigaret smoking, auto ownership, etc.) will also be provided by Pulse Inc., in a new series of quarterly reports covering network TV programming. The first Pulse study will cover November programming, with 1961 studies planned for Feb., May and Aug. Reports will be issued "within 2 months after the field work is completed," stated Pulse.

Admen are hep to tricks of their trade and aren't taken in by advertising claims that might mislead others, FTC has decided, dismissing 1957 charges against McGraw-Hill Publishing Co. & McGraw-Hill International Corp. In a deceptive-promotion case involving *Electrical Merchandising* and *The American Automobile*, FTC agreed with trial examiner John B. Poindexter: "When each & all of respondents' advertising pieces complained of as being false & deceptive are considered, especially in view of the limited, sophisticated and experienced audience to whom they were directed & exposed, it cannot be said, under a reasonable & fair interpretation of the evidence, that respondents' advertising is false & deceptive as alleged." McGraw-Hill had been accused of misrepresenting readership surveys in claiming that the 2 trade papers surpassed competitors in advertising impact.

Madison Ave.'s "image" not only is slipping, "it looks as though [it's] losing its pants," FTC Comr. Sigurd Anderson told the Insurance Advertising Conference in Washington. Pointing to "Congressional & govt. disclosure" of advertising practices in the past 2 years, he deplored "this loss of prestige" in the industry. "Advertising is too great, too important and too necessary to become the target & butt of ridicule & derision," Anderson said. He called on advertisers & agencies to "change this public conception of advertising that is calculated to sell at any cost." And media can help by displaying "real courage," Anderson added. As one example, he cited *Grit* magazine in Pa., which made refunds to all readers who fell for "an ad about small radios that turned out to be sour."

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**Ad People:** Maurice H. Needham, founder & pres., Needham, Louis & Brorby, advances to chmn., succeeded as pres. by Paul C. Harper Jr., promoted from exec. vp; James L. Isham named exec. vp for creative services; Richard H. Needham appointed exec. vp for administration . . . Eugene A. Raven, ex-United Air Lines, named vp, Erwin Wasey, Ruthrauff & Ryan.

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Richard B. Bradshaw, from Foote, Cone & Belding Chicago office, named managing dir. & chief exec. officer of Foote, Cone & Belding Canada Ltd., headquartered in Toronto; Pat Freeman, pres. of Canadian firm, also becomes chmn. of plans board . . . Marjorie S. Plants, Ruth Cerrone & Joan Chamberlain, Lennen & Newell copy supervisors appointed vps . . . Louis N. Brockway, Young & Rubicam dir., named consultant to National Educational TV & Radio Center, N.Y.

<sup>1</sup> Not reported.

# BACKGROUND

## No. 10

### ADVERTISING'S ORGANIZATIONS —

**Their Various Functions**  
**December 1960**

ORGANIZATION	PURPOSE	WHO'S ELIGIBLE	NO. OF MEMBERS	TV ACTIVITY
Advertising Assn. of the West 337 World Trade Center, San Francisco, Cal. Pres. Richard Ryan (KLOK, San Jose)	To represent ad industry in the 13 Western states, including Alaska & Hawaii.	Individuals or companies in all fields of advertising; through local ad clubs.	6,500	Conducts annual all-Western craft competitions on behalf of broadcast media. Maintains media relations with the broadcasters in Western areas. TV-radio interests are represented on AAW Board.
Advertising Federation of America 655 Madison Ave. N.Y. 21, N.Y. Chmn. James S. Fish (General Mills)	To foster & promote advertising. "To defend ad freedom." To further education in advertising.	Advertisers, agencies, ad assns., all media, graphic art suppliers, individuals engaged in or interested in advertising. Operates primarily through local ad clubs.	50,000	Is liaison with NAB review board on local & national questions of ethics & taste. Advertising Week Committee of AFA deals with TV sponsor-network, sponsor-station relations during week in Feb. Seminars, meetings feature TV problems.
Advertising Research Foundation 3 E. 54th St. N.Y. 22, N.Y. Chmn. Arno H. Johnson (J. Walter Thompson)	To further scientific practices in advertising & marketing.	Advertisers, agencies, media, universities, official reps of 4A & ANA.	300	Maintains TV-radio Rating Review Committee. Also serves as consultation & validation checkpoint for TV-radio research organizations.
American Assn. of Advertising Agencies ("The Four A's") 420 Lexington Ave. N.Y. 17, N.Y. Pres. Frederic R. Gamble	Advance cause of advertising. "Foster, strengthen & improve agency business."	Agencies which meet 4A qualifications such as: being independently owned, owners being active in agency work, having adequate staff & facilities.	347	Safeguards members' interests through committees in the following areas: TV & radio administration; broadcast media; media relations; advertising content; international advertising; research. Provides self-regulation of TV ad content through joint ANA-4A Committee for Improvement of Advertising Content.
American Marketing Assn. 27 E. Monroe St. Chicago 3, Ill. Pres. Reavis Cox	To improve & "elevate the science of marketing."	Individuals, groups or companies involved in marketing research; rating services, media, agencies, advertisers, manufacturers.	8,600	Conducts continuing study of marketing aspects of TV-radio through Media Research & Copy Research Committees.
Assn. of Canadian Advertisers 85 Richmond St. West Toronto, Canada Pres. A. B. Yeates	To promote high standards of advertising. To encourage mutual advertiser assistance. To promote study of advertising.	Any concern, partnership, firm, or corporation marketing products or services in Canada.	160	Maintains liaison with Canadian TV-radio interests to "correct abuses & encourage taste" in TV & other advertising media.
Assn. of National Advertisers 155 E. 44th St. N.Y. 17, N.Y. Pres. Paul B. West	To serve as a clearing house for "useful & timely ad information." To express advertiser attitudes & interests to agencies, media, public & govt.	National & regional advertisers.	665	Provides self-regulation of TV ad content through joint ANA-4A Committee for Improvement of Advertising Content. Maintains liaison with networks, talent unions, etc. through Broadcast Advertising Committee.
Brand Names Foundation 437 Fifth Avenue N.Y. 16, N.Y. Chmn. J. H. Breck, Jr. (John Breck, Inc.)	To make known to the consumer "the benefits he gets from manufacturers' brand identifications." To emphasize to retailers the benefits of selling those brands.	Manufacturers of branded goods, advertising agencies, media, service organizations.	925	Plans policy for major ad campaigns promoting brand names on TV & other media through the Consumer-Advertising Program Committee. Promotes Brand Names Week in May on TV & through other media.
International Advertising Assn. Hotel Roosevelt N.Y. 17, N.Y. Pres. Elmo C. Wilson	To elevate international standards, practices & ethical concepts of advertisers, agencies, media & allied services. To spread concept of "free world trade."	Individuals or companies engaged in international advertising (advertisers, ad agencies, ad media, & related marketing services).	1,400	Maintains ethics in TV & other media on world-wide scale through an International Code of Ethics & Standards of Practice written by IAA's standards committee. Researches many phases of international advertising in "International Advertising Survey."

**Self-Policing Problem:** Ever since the quiz scandals put a new spotlight on advertising ethics, various advertising organizations have played an increasingly important role in self-regulating the advertising industry. Most recently, the ANA and 4A groups have established a new "ethics" link through a 20-man Committee for Improvement of Advertising (Vol. 16:41 p2), although all of the organizations are concerned, in one way or another, with ad integrity.

Altogether, the leading ad organizations have over 68,000 members (including some duplication of member-

ship) in the U.S. & Canada. Advertisers, agencies, research firms, media, marketing consultants and educational institutions are represented. In a sense, some of the ad organizations lead double lives; they represent the point of view of a particular group (such as ANA and 4A) in dealing with labor problems or media rate-increases, but are usually quick to join forces with other groups or media in defending advertising from outside critics. Nearly all of the major ad organizations maintain a liaison with TV-radio media or groups (Vol. 16:28 p20).

## Networks

No important schedule changes are planned by the networks to meet the forthcoming (Jan. 1) FCC-ordered cutback in network option time to 2½ hours in each broadcast period. Pre-emptions for local shows, if any, will be up to the stations, which at least will have a privilege of refusal even if their schedules are left virtually undisturbed. NBC exec. vp Walter D. Scott summed up the situation thus: "A successful show seldom has problems getting station clearance. A weak show may, or may not, face clearance problems. But can you imagine a station throwing out a *Peter Gunn* or a *Wagon Train* or a Belafonte special—just because it happened to be in station-option time?"

TV-radio may be a young industry—but there are now 242 members of the "CBS 20-Year Club" in N.Y., plus another 320 in various offices, plants, news bureaus, laboratories, o&o's, etc. throughout the country & overseas. These newest totals were reached Dec. 1 when 32 new club members were inducted in special N.Y. ceremonies. NBC will also make employe-longevity news this week (Dec. 5) at the annual luncheon of NBC's "25-Year Club." Watches & certificates will be presented to 9 new members of the club by NBC Chmn. Robert W. Sarnoff. There are presently 361 active & retired NBC employes in N.Y. & elsewhere who have been with the company 25 years or more.

### NETWORK SALES ACTIVITY

#### ABC-TV

Tournament of Roses parade, Mon. Jan. 2, 11:30-1:45 p.m., full sponsorship.

*Quaker Oats* (Lynn Baker)

Naked City, Wed. 10-11 p.m., participations eff. Feb.  
*Pan-American Coffee Bureau* (BBDO)

The Law and Mr. Jones, Fri. 10:30-11 p.m., part. eff. Jan.  
*Union Carbide Consumer Prod.* (Wm. Esty)

The Roaring Twenties, Sat. 7:30-8:30 p.m., participations.  
*Brown & Williamson* (Ted Bates), eff. Jan.  
*American Chicle* (D-F-S) eff. Dec.

*Peter Paul* (D-F-S), eff. Dec.

*Pan-American Coffee Bureau* (BBDO), eff. Feb.

The Islanders, Sun. 9:30-10:30 p.m., participations eff. May.  
*Northam Warren* (DCS&S)

The Untouchables, Thu. 9:30-10:30 p.m., part. eff. Dec.  
*American Chicle* (Ted Bates)

Daytime programming, Mon.-Fri., participations eff. Nov., Dec., Jan. & Feb. respectively.

*Bristol-Myers* (Young & Rubicam)

*Drackett* (Young & Rubicam)

*Ex-Lax* (Warwick & Legler)

*Pan-American Coffee Bureau* (BBDO)

#### CBS-TV

Daytime programming, participations eff. Jan.  
*Calgon* (Ketchum, MacLeod & Grove)  
*Thomas Lipton* (Young & Rubicam)

#### NBC-TV

Liberty Bowl football game, Sat. Dec. 17, participations.  
*B.F. Goodrich* (BBDO)  
*Colgate-Palmolive* (Ted Bates)  
*Schick Safety Razor* (Compton)  
*Whitehall Laboratories* (Ted Bates)

Boston affiliation switches now line up like this: Jan. 1, WHDH-TV will switch from ABC to CBS, and RKO General-owned WNAC-TV will switch from CBS to ABC. Westinghouse Bestg.-owned WBZ-TV will remain with NBC. The switches are by-products of the NBC-RKO General station-swap deal whereby NBC takes over the WNAC-TV & WNAC outlets as network o&o's—currently being challenged in the courts. (Vol. 15:51 p7; 16:1 p9 et seq.). Network programming structures in the Boston market, however, will have some oddities. Despite the ABC affiliation, WNAC-TV will carry NBC's *It Could Be You* and *People Are Funny* after Jan. 2 until further notice. WHDH-TV will carry NBC's *Jack Paar Show*. Word from Washington, meanwhile, was that the legal front involving the NBC-RKO swap is "quiet." Challenging the proposed swap are Philco, Westinghouse, KRON-TV San Francisco.

Canada's sole TV network applicant, S. W. Caldwell's Canadian TV Network Ltd. (Vol. 16:47 p7), was opposed in a filing with the Board of Broadcast Governors by Toronto TV grantee CFTO-TV—the group which was victorious over Caldwell and his associates in competition for Toronto Ch. 9. Caldwell had told BBG that his network could start operating next September and provide 10 hours of service weekly over existing microwave facilities until Trans-Canada Telephone System builds new microwave routes especially for the private network. CFTO-TV Pres. Joel Aldred said his station is opposed to joining a large private network. He suggested Caldwell may be planning to use CBC-TV standby microwave facilities, which he said he did not believe could be arranged. BBG's final decision on the private network application is due within 10 days.

World communication is key to survival, and TV is the greatest force for such communication in the history of mankind. So said AB-PT Pres. Leonard H. Goldenson at a fund-raising dinner for the Institute of Logopedics held in Wichita, Kan. Dec. 2. "In the TV studio, equipment must be kept in perfect working order," he commented. "If one tube fails, electronic chaos results . . . In the human being, if nerve pathways are blocked, chaos also results."

Guest-violinist Jack Benny's technique may be questioned by musical experts, but his motives are above reproach. His appearances as a guest with symphony orchestras in N.Y., San Francisco, Cleveland, Denver, Honolulu, etc. have raised \$2,110,770 for musicians' pension & endowment funds during the past 4 years, CBS-TV calculated last week. Although Benny's "image" is that of a tightwad, none of the loot goes to him.

## Foreign

Ghana Broadcasting System, whose external radio operations are scheduled to start next year (Vol. 16:8 p16), plans a TV network, too. Preliminary TV proposals by the govt. call for a capital investment of \$1.8 million to set up a studio center at Accra and transmitters at Ajangote, Kisi and Nkabin. Operating costs would be covered in part by spot advertising. Contracts for construction & equipment probably will be awarded by the govt. at Accra, following international competitive bidding in which credit terms & loans for purchase of receiving sets will be factors.

New Zealand may get independent TV as a fringe benefit of the National Party's victory in the Nov. 26 general election. The defeated incumbent Labor Party had administered the budding TV service under direct state control. The Nationals, in their campaigning, had recommended opening the industry to private enterprise.

## Television Digest

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DAVID KAUFMAN

**Personals:** Nicholas C. Gilles promoted from NBC dir., business affairs, operations & engineering dept., to business affairs dir., NBC-TV . . . Edward R. Hitz retired as NBC-TV vp & gen. sales exec., NBC-TV . . . Robert J. Galvin named manager of NBC-TV videotape, film & kinescope operations.

Taft stations changes: Sam T. Johnston, ex-WTVN-TV Columbus gen. mgr., named gen. mgr., WKRC-TV Cincinnati, succeeding J. W. McGough, resigned; Robert C. Wiegand transfers from post of gen. mgr., WKYT Lexington, Ky., to succeed Johnston at WTVN-TV; Robert Schlinkert, gen. mgr., WBRC-TV Birmingham, named a Taft Bestg. vp; Gene D'Angelo promoted from sales mgr. to station mgr., WTVN radio.

Theodore C. Streibert, formerly USIA dir., appointed gen. mgr., WTCN-TV & WTCN Minneapolis, and vp, Time Inc. bestg. div. . . . Jack H. Mann, ABC Radio Sales development & program coordination dir., named also to new post of national dir. of research, advertising & promotion . . . Clifford Evans, ex-NBC, named vp, Sports Network.

J. Drayton Hastie, Reeves Bestg. & Development Corp. vp, named pres. of the bestg. div. (WUSN-TV Charleston, S.C.; KBAK-TV Bakersfield, Cal.; purchase of WHTN-TV Huntington, W. Va., pending FCC approval) . . . Sam Fleishman, ex-NTA & Screen Gems, named Gerald Productions Inc. vp-gen. mgr. . . . Frank A. Duffy named asst. to the pres. for operations, General Tire & Rubber Co., parent of RKO General; Charles F. Burke continues as asst. to the pres. . . . Paul E. Walton Jr. named operations mgr., WNDU-TV South Bend.

James D. Russell, pres.-gen. mgr., KKTV Colorado Springs, elected pres., Colorado Springs Chamber of Commerce . . . Thomas Velotta, ABC special projects vp, appointed member of NAB's Freedom of Information Committee to replace John Daly, who resigned as ABC News vp . . . Don B. Curran, sales promotion dir., KTVI St. Louis, elected first vp, Bestrs.' Promotion Assn.

Dr. John E. Ivey, pres. of Midwest Program of Airborne TV Instruction, heads 12-member advisory committee named by U.S. Education Comr. Lawrence C. Derthick to study effects of govt.-sponsored programs on higher education; Derthick resigns eff. Jan. 19 to join National Education Assn. staff . . . Ivan H. Loucks promoted to chief, land transportation division of FCC's Special Radio Services Bureau.

✓ Broadcasters Foundation has been founded by the N.Y. Chapter of Broadcast Pioneers "to foster & promote the welfare of persons in need of assistance who have been employed or engaged in working in the field of radio broadcasting for 20 years or more, or in TV broadcasting for 10 years or more, and to assist them in illness, emergency or financial need." The first fund-raising affair, a salute to radio WLW Cincinnati, is slated for Feb. 26, at the Latin Quarter in N.Y.

Meetings this week: RTES time-buying-&-selling seminar (Dec. 6). Louis Hausman, TIO; C. Wrede Petersmeyer and Herman Land, Corinthian, will speak on trends in public-affairs programming, Hotel Lexington, N.Y. • Advertising Council annual Hollywood luncheon (7). General Dynamics Chmn. Frank Pace Jr. will speak, CBS Television City • Best. Pioneers, N.Y., chapter Christmas party (8), Hotel Lexington, N.Y.

Myer (Mike) Feldman, radio veteran who has been Sen. John F. Kennedy's legislative asst., has been assigned by the President-elect to work with newly-appointed Budget Dir. David E. Bell. Following the changeover in administrations, Feldman will join Kennedy's personal White House staff as Deputy Special Counsel. Feldman, owner of 30% of WADK Newport, R.I., recently sold his KLAD Klamath Falls, Ore. for \$175,000 to Ogden Knapp, ex-NBC.

Updated edition of *Radio & Television—A Selected Bibliography* has been published by the U.S. Office of Education under the direction of broadcasting education specialist Gertrude G. Broderick. Designed as a source book for educators and the TV-radio industry, it replaces a bibliography prepared in 1956.

Deadline for entries for National Safety Council's Public Interest Awards to information media is Feb. 1. Entry blanks are available from the Council, 425 N. Michigan Ave., Chicago 11.

H. Leslie Atlass, ex-CBS vp who died Nov. 18, left an estate of \$1.2 million, according to his will filed last week in Chicago Probate Court.

From "Births" column in Nov. 30 *Variety*: "Mr. & Mrs. John F. Kennedy, Nov. 25, Washington, a son, John F. Kennedy Jr. Child is grandson of Joseph P. Kennedy, former pres. of Film Booking Office & RKO Theatres."

## Obituary

Victor Emanuel, 62, Avco Corp. chairman, died Nov. 26 at his home in Ithaca, N.Y., after a brief illness. In 1937, he headed the group which bought Avco (then Auratron Corp.). Avco's Crosley Bestg. Corp., a pioneer in both radio & TV, operates radio WLW Cincinnati and 5 TV stations. The firm discontinued its Crosley & Bendix home appliances divs. in 1956. Emanuel is survived by his wife, 2 sons, a brother and 3 grandchildren.

## Technology

Allocation of 100 mc for "Mobots"—mobile robots—in the 13,000-35,000-mc band, sought by Hughes Aircraft (Vol. 16:26 p19), was turned down by FCC on the grounds that the request is "premature." However, the Commission said, the proposal "holds out possibilities for filling an important need," and it invited applications on an experimental or developmental basis. Hughes wants radio control of robots which operate in places inaccessible or dangerous to humans. It now uses cable control.

# Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**1960 ELECTRONICS SALES—\$9.7 BILLION:** Electronics industry set another sales record in 1960, continuing its unbroken progression of new highs since World War II. However, preliminary estimates indicate total factory sales fell short of the predicted \$10-billion mark, due to the 2nd-half decline in consumer-product & replacement-part sales.

Total industry volume this year was put at \$9.7 billion, up 6% from last year's \$9.2 billion, in an official estimate given by Pres. L. Berkley Davis to the EIA board at last week's winter conference in San Francisco. Although total sales ran 6% short of EIA's beginning-of-the-year prediction of \$10.35 billion (Vol. 15:51 p13), industrial & military sales were up to expectations. Consumer-product sales (up \$100 million from 1959), although setting a new record, fell short of the predicted \$2.3 billion by \$200 million, and replacement-parts sales were \$400 million shy of original expectations.

Here are dimensions of electronics industry, as recapped by EIA, for 1960 and 3 preceding years:

FACTORY SALES BY U.S. ELECTRONICS INDUSTRY  
(Add 000,000 Dollars)

	1957	1958	1959	1960
Consumer products .....	\$1,700	\$1,600	\$2,000	\$2,100
Industrial products .....	1,300	1,380	1,600	1,750
Military products .....	4,100	4,400	4,700	5,000
Replacement parts, tubes, etc. ....	900	860	900	900
INDUSTRY TOTAL .....	\$8,000	\$8,240	\$9,200	\$9,700

These preliminary figures for 1960 (subject to change after year-end) show consumer-product sales 5% ahead of last year, industrial electronics up 9%, military products up 6%.

Breaking down consumer-electronics factory-sales estimates, EIA noted a decline in TV, but increases in both radio & phono categories. The Association put total 1960 factory sales of TV sets at 5.9 million units, down about 6% from last year's 6.3 million; radios (excluding auto) at 10.5 million, up 6% from last year's 9.9 million; phonos at 5.1 million units, 19% ahead of last year's 4.3 million. Note that these are factory sales. Last year's retail figures: TV, 5.75 million; radio, 8.9 million; phono, 4.4 million.

Note: Disagreement with EIA's electronics sales totals was registered last week by big investment firm Television-Electronics Fund, whose annual report estimated this year's total electronics industry factory sales at \$11 billion (see p. 20).

**EIA STILL OPPOSES FCC ON UHF:** If new Congress legislates for manufacture of all-channel TV sets (Vol. 16:6 p2)—and FCC Comr. Robert E. Lee now believes there's "good chance" it will—the law compelling set makers to produce only all-uhf-vhf receivers will have to come over the opposition of nation's TV receiver manufacturers. These salient points were made clear at EIA's 3-day winter conference in San Francisco last week.

Reiterating his oft-stated support of all-uhf TV, a la his speech before NAEB's October convention (Vol. 16:43 p4), Lee, addressing EIA Nov. 29, added these new points: (1) He is confident that Congress will pass FCC-sponsored legislation which in effect would make it mandatory to produce only all-channel TVs. (2) Proposal is contrary to his opposition to government interference with private enterprise, but he contends legislation is justified in view of "critical nature of the present situation." Emphasized Lee: "I have yet to

find an FCC engineer who does not believe that the only answer to the problem of getting new TV channels is a gradual shift to uhf."

Lee's confidence & present attitude seemingly reflect opinion that FCC's proposal will have support of Kennedy administration, as noted in these columns last week (Vol. 16:48 p1). However, EIA remained unimpressed.

For third time, EIA flatly rejected any & all proposals which in any way, shape or form add up to govt. control over TV-set specifications. Having reconsidered FCC proposal in light of Comr. Lee's speech and the prospect of change in Washington climate, EIA announced unequivocally, unanimously, without so much as a microminiature loophole, its continued & firm opposition to any legislation requiring TV manufacturers to produce only all-channel sets.

Summing up EIA's opinion & stand, Motorola consumer-products exec. vp Edward R. Taylor (EIA consumer-product div. chmn.) told us: "We feel that this all-channel proposal penalizes 90% of the population for the benefit of 10%. There is no reason to make that many people pay for something most of them will rarely or never use."

For other reports on EIA meeting, see stories below and on opposite page.

**FOREIGN 'PERIL' HAUNTS EIA CONFAB:** Massive industry counterattack to stem invasion of electronics imports was in the making last week as Electronic Industries Assn. concluded its 3-day winter meeting in San Francisco. By far the most pressing & discussed subject, foreign imports (spelled Japanese) drew these EIA actions:

(1) EIA's board approved a major program to educate nation at large to dangers posed to industry by imports. Electronic Imports Committee (Robert C. Sprague, chmn.) has been detailed to draw up such a program, one probably large enough to warrant a full-time staff organization. Proposed educational program, together with request for funds, probably will be submitted for approval at board's next meeting in March. Petitioning board for go-ahead approval on program, Electronic Imports Committeeman Mark Shepherd Jr. (Texas Instruments semiconductor-components div. vp) declared imports in recent years have obliterated 700,000 U.S. jobs, including 80,000 in electronics industry, and have siphoned off more than \$5 billion of sales of U.S. industries.

(2) Strong endorsement of educational program was recorded by EIA's parts div. and tube & semiconductor div. Latter quickly established its own imports committee, chaired by EIA vp W. S. Parsons (Centralab pres.), to assist in working out over-all EIA program.

(3) EIA board authorized a protest by EIA to FTC over deceptive advertising by electronics importers. Letter, which will spotlight such practices as concealment of product origin, is being drafted by EIA gen. counsel John Olverson. It may get into the mail to FTC Chmn. Earl Kintner as early as this week.

Improvement of sales & image was major preoccupation of consumer-products div., headed by Motorola consumer-products exec. vp Edward R. Taylor. Committee took 2 decisive steps in these areas:

(1) Proposal for ad-practices code for electronics industry won unanimous approval. Envisioned guide would be patterned after ad code of American Home Laundry Assn. (Vol. 16:38 p6), would also incorporate elements of FTC's TV trade rules & practices. EIA's version will be drafted by Packard Bell Pres. Robert Bell for circulation among EIA members for legal opinion & approval.

(2) All-industry campaign to promote sales of more consumer electronic products also moved closer to fruition. Committee heartily approved outline for such a program prepared by Robert Bliss of N.Y. PR firm of Robert L. Bliss & Co. Subcommittee chaired by Taylor was formed to work with Bliss in developing & costing formal program.

Campaign will be extensive & long-range, Taylor told us. "If we can't get approval on a 3-year basis," he said, "there'll be no promotion." Over-all objective: "We want to get our fair share of the consumer dollar. To do so, we have to condition people to think about buying consumer electronic products as they now think about buying furs, jewelry and other gift & luxury items." Promotion program, when drafted & approved, will be implemented for EIA by Bliss, as PR consultant.

More details on import actions and other EIA business are on opposite page.

**TV-RADIO PRODUCTION:** EIA statistics for the week ended Nov. 25 (47th week of 1960):

	Nov. 18-25	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	91,627	118,019	121,595	5,306,932	5,756,210
Total radio .....	273,164	367,048	287,006	15,591,202	14,069,049
auto radio .....	98,333	123,098	60,612	5,912,785	4,973,777

**More about**

**EIA ACTION ON IMPORTS:** Ways & means of combatting the flow & effect of growing & more diversified electronic imports came under considerable discussion at the 3-day winter conference of the Electronic Industries Assn. in San Francisco last week. In addition to hit-back action taken at the board level (see p. 18), there were signs of developing counter-attacks at EIA's divisional levels.

The tube & semiconductor div. has developed and will start distributing shortly to companies & distributors in the electronics industry a brochure detailing the advantages of doing business with American manufacturers. The publication, *Plus Values*, emphasizes the availability to distributors of American industry's engineering services, salesmen, warehousing facilities.

EIA's Congressional Information Committee has been authorized to continue its efforts to gain "grass roots support" for EIA stands on 8 legislative proposals due to come before Congress.

Among them: EIA seeks amendment of the tariff act to make it mandatory for importers who repackage electronic imports to label the new package with the country of origin. Among other legislative actions sought and/or supported by EIA: establishment of a single authority in Washington for allocating blocks of radio frequencies to FCC, the armed services and other govt. agencies; repeal or amendment of the Walsh-Healy Act; adoption of legislation which would permit tax deduction of expense incurred by industry in making its position known to Congress.

Other highlights of EIA's winter conference:

**Uhf**—EIA restated its continued opposition to FCC-proposed legislation which would authorize FCC to require manufacturers to make only all-channel TV sets (see p. 17).

**Trade shows**—Increasing resentment among members over multiplicity of trade shows resulted in formation of 2 study groups which will report at March meeting.

**Standardization**—EIA board approved expenditure of \$10,000 to create an international standardization committee to represent EIA in meetings with the International Electromechanical Committee, which sets international standards. The EIA committee group will be named later.

**Appointments**—Philco operations exec. vp Joseph H. Gillies was named by the consumer-products div. to the EIA board. Philco consumer-products vp Henry Bowes was named to consumer-products div. exec. committee, replacing Philco PR vp Larry F. Hardy. Sylvania electronic tubes sales vp W. O. Spink was named to the exec. committee of the tube & semiconductor div. Military products div. established a materials procurement committee, chaired by The Martin Co.'s H. A. Strickler, to handle problems of materials management.

NARDA 1961 convention at Chicago's Palmer House Jan. 13-15 will be addressed by Admiral Pres. Ross D. Siragusa Sr., Whirlpool vp-treas. Mason Smith, Communication Research Corp. Pres. Martin J. R. Corcoran.

Line of British-made radios, phonos & radio-phono combinations will be test-marketed in the N.Y.-N.J.-Philadelphia area by Philco, as a supplement to its domestically produced line. Initially, the British radios—all of which have at least one shortwave band—will be distributed to selected retailers (some of whom may not now be handling Philco's domestic line) by distributor John M. Otter Co. The Otter firm is seeking "class" outlets & dealers located in areas where there is a large foreign-speaking concentration—to capitalize on the revived interest in shortwave listening. The British radios are made by Philco's U.K. licensee, Thorne Electrical Industries, one of the nation's largest consumer-electronics manufacturers. Ten British sets will be offered, ranging from a 2-band table radio at \$39.50, to a 4-band-plus-FM stereo phono combination at \$459.50. The line consists of 6 table radios, one 7-transistor portable, one stereo-phono consolette, one consolette combination, one console combination.

Strike still hobbles production at 3 Long Island plants of Fairchild Camera & Instrument, including the Plainview, N.Y. facility of the components div. Some 800 members of the International Assn. of Machinists walked out at midnight Nov. 1 in a dispute over wages & fringe benefits. The union has rejected 3 alternative contracts that were proposed by Fairchild to replace the 2-year agreement which expired Oct. 31. Fairchild, we're told, already has abolished some 300 jobs at the plants in an "economic adjustment" necessitated by the strike, and indicates that other activities may be transferred. The company's latest offer, which carried a Nov. 28 deadline, was not accepted by the union. Negotiations continue with federal mediators.

Upturn in appliance sales will begin in the 2nd half of 1961 and continue through 1962, John W. Craig, vp-gen. mgr. of Westinghouse's major appliance div., predicted last week. He estimated total appliance sales in 1961 will be "slightly higher" than in 1960. He said 1960 will be the industry's 4th best year. He forecast that price-cutting will be less prevalent next year, as manufacturers gear production closer to sales and thereby eliminate excessive inventories. Craig said he based his prediction of increased sales on an anticipated rise in home building next year together with the ripening replacement market.

Switchover to 33-rpm 7-in. pop record singles from 45s may be heralded by RCA Victor's decision to enter this field next month. Columbia Records started the move toward using the same speed for single-selection records as LPs. RCA Victor, however, has no plans to abandon the 45-rpm disc, which it pioneered. RCA also plans to continue manufacture of its pre-recorded tape cartridges and tape cartridge players & recorders, with "substantial" price cuts planned next year.

Televideo Corp. of America, which trades in Culver City, Cal. as Picture Tube Mart, must stop misrepresenting rebuilt TV picture tubes as new, FTC said in an order upholding an initial decision by hearing examiner Loren H. Laughlin (Vol. 16:44 p16). Also subject to the order are company officials Thurman D. Brooms, Kenneth A. Redshaw and Milton Tobias.

**Sizing Up Electronics:** Factory sales of the electronics industry this calendar year "may be expected to approximate \$11 billion, up from \$9.2 billion in 1959, with all sectors of the industry sharing in the advance." So says the elaborate & attractive 60-page annual report of Television-Electronics Fund, issued by the open-end investment company to shareholders last week.

This size-up differs sharply from EIA's own estimate of 1960, which also saw electronics advancing to a new record this year—but with a more modest gain—to \$9.7 billion (see story on p. 17). TV-Electronics Fund, whose estimates were prepared earlier than EIA's, gives this breakdown of 1960 factory sales:

Commercial & industrial electronics, up from last year's \$1.6 billion to about \$2.4 billion (EIA says \$1.75 billion). Replacement parts, tubes & semiconductors, from \$900 million to \$1.1 billion (EIA says the figure remained at \$900 million). Military electronics, from last year's \$4.7 billion to \$5.4 billion (EIA says \$5 billion). EIA and the Fund agree only on the volume of consumer electronics—both say \$2.1 billion, up from \$2 billion.

When such "service" factors as wholesale & retail markups, broadcasting, installation & repair are added, says the Fund, the electronics industry's 1960 volume goes up to an estimated \$15.5 billion, compared with \$13.6 billion last year and \$12.3 billion in 1958.

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New 19-in. tube with 92-degree deflection angle is now being sampled to set manufacturers, as predicted here Oct. 24 (Vol. 16:43 p15). The non-bonded tube is a companion to the 23-in., 92-degree tube, for applications when slim cabinets are not essential. All 19-in. tubes currently in production have 114-degree deflection, while 23-in. non-bonded tubes are made in 2 types—with 114-degree or 92-degree deflection. Although the new 92-degree, 19-in. tube will be priced the same as the 114-degree tube of the same size, it will make possible some reduction in cost because of lower deflection voltages and the use of some related components with wider tolerances. The tube may be used in some spring drop-ins and 1962 models.

Exports of Japanese receiving tubes to Canada, suspended since Oct. 14 (Vol. 16:44 p17), are due to be resumed early next year, when a voluntary quota system is worked out. Before the suspension, Japanese tube shipments to Canada reached an annual level of 3.9 million units—up from the 2.3-million level of 1959. The Canadian govt. wants this cut to about 1.6 million a year.

Teleco Industries Corp. has been awarded an initial Air Force production contract of \$300,000 for its Teleclevision slow-scan TV system (Vol. 16:11 p22). Using telephone lines to carry non-moving TV pictures, the Teleclevision system has provisions for picture storage & for making permanent copies. Deliveries are to start this year.

Magnetron-type cooking unit applicable for home electronic ranges has been developed by Litton Industries. Marking its "first large-scale entry into the commercial field," Litton has contracted to supply the electron-tube power packs to the Tappan Co., maker of electronic ovens. Litton described the new magnetron as "especially suitable for radio frequency food preparation," said it results from 2 years of development.

Japanese TV factory sales in September totaled a near-record 321,724, second only to the all-time high of more than 350,000 sets in Dec. 1959. September radio sales totaled 1.3 million sets.

**GE Sees Prices Holding:** Prices of consumer electronics and appliances should hold steady during 1961, declines in most electrical items having run their course. So said GE Chmn. Ralph J. Cordiner last week at his annual year-end news conference. At the same time, he said he foresaw little possibility of general price increases in TV next year—but rather an upgrading in price levels due to added features & innovations.

To freeze prices at their present levels, he said, it will be necessary to improve manufacturing efficiency, cut distribution costs and to respond quickly to consumer demands. He expressed confidence in the nation's economy by pointing out that GE's U.S. & Canadian plant & equipment expenditures for 1960 will total \$135 million vs. \$91 million last year, and will increase further in 1961. He said the company's 4th-quarter 1960 & first-quarter 1961 earnings will be adversely affected by the recent IUE strike.

He also made these points: (1) Like AT&T, GE intends to get into the field of exploration & economic exploitation of outer space without govt. contracts. (2) He expects consumer goods to continue to comprise about 25% of GE's total business in 1961.

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FM radio tuners in TV sets could become a trend next year—capitalizing on the upsurge of interest in FM and the improved sound systems in many TV consoles. Magnavox, which tried out a combination 23-in. TV & FM set this fall (Vol. 16:29 p15), found consumer acceptance good, now incorporates FM radio in 2 of its 5 new 27-in. models (Vol. 16:45 p18)—in addition, of course, to its TV-radio-phono combos. The FM tuner is a separate unit, with its own tone & volume controls, operating independently of the TV tuner. The FM-equipped 27-in. sets are \$399.50, \$419.50 & \$435 (non-remote, depending on cabinet style) and \$50 more for similar sets with remote control. Magnavox's pitch for its 27-in. sets, incidentally, will be that they supply "pictures almost half again as large as today's 23-in. sets, in cabinets that take up no more wall space."

Mercury Tube Corp., Newark, has demanded dismissal of FTC charges that it marketed TV picture tubes without disclosing that they were rebuilt & contained used parts (Vol. 16:46 p18). In a formal answer to FTC's complaint, Mercury contended each tube carton showed "in large, clear and distinct language that the envelope portion has been reused."

Herold Radio & Electronics Corp., now operating under Chapter XI of the Bankruptcy Act, came close to the break-even point in October, Pres. Jerry Herold stated at a recent hearing before referee Arthur J. Doran. He predicted that November shipments would top October's \$470,000.

Hospital TV set, designed for use in semi-private rooms & wards, is now being produced by GE and will soon be available through GE TV distributors. The 19-in. set, with alcohol & burn-resistant finish, is adaptable for wired remote control & pillow speakers, has volume limiter.

Merger talks between Lionel Corp. and the Muter Co. (speakers & components) have been terminated, according to Lionel Pres. Maj. Gen. John B. Medaris. Muter Co. vp Leslie F. Muter Jr. stated that Lionel's stock-exchange offer was "not acceptable," and that his company has insisted on "something close to 2.4 to 1."

Radio retail sales in the U.S. this year will total 20.5 million units, including imports—12½% ahead of last year—Radio Advertising Bureau estimated last week;

Nose-count of scientists & engineers in the electronics industry has been started by EIA for the Defense Dept. James M. Bridges, dir. of electronics of the Office of the Secy. of Defense, has requested the survey in order that the Dept. "may determine possible adverse effects which major shifts in defense programs could have on the reservoir of professional electronics manpower." Preliminary findings have indicated there are about 140,000 electronics engineers & scientists in the U.S.—of whom 110,000 are working in industry. Bridges believes 80-to-90% are working on defense-supported programs.

Detailed "plant location study" of Minnesota's electronics & related science industries has been published by Northwestern National Bank of Minneapolis. It includes a directory of the 117 electronics & related companies operating in the state as of Oct. 1960, together with analysis of factors relating to their growth. Copies are available from the bank's industrial development div. at 620 Marquette Ave., Minneapolis 40.

Unlimited atomic electric power came an important step closer recently with the report of a successfully controlled thermonuclear reaction at U. of Cal. The controlled hydrogen fusion reaction lasted only one-thousandth of a second. The announcement stated that the reaction on which the experiments were based released 3.25 billion volts of energy. Successful practical controlled reactions, said the University, "would provide the world with a virtually unlimited source of power."

Rebuilt TV tubes produced by 5 firms must not be misrepresented to buyers under terms of consent orders announced in a batch by FTC. Agreeing to FTC orders which settled cases against them were: Budco Inc. and Metropolitan Electronics Distributors Inc., 113 S. Beatty St., Pittsburgh, and their affiliate K. M. K. Corp., 3323 Superior Ave., Cleveland • Theta Electronics Inc., 123 Stark Ave., Greensburg, Pa. • Tube Mfg. Corp., 29th & Hunting Park Ave., Philadelphia.

**Hercon Electronics**, Newark, N.J. manufacturer of glass-to-metal seals, has changed its name to Harvey-Wells Corp. Its Natick, Mass. subsidiary, maker of nuclear magnetic resonance equipment & electromagnets, has been renamed Harvey-Wells Nuclear Corp.

**New models:** Magnavox adds 2 promotional Yule-season TV models with 90-degree 23-in. tubes—a horizontal console in 3 finishes, beginning at \$229.90, and a vertical console in 4 finishes, beginning at \$249.90 • Autovox Corp. of America introduces an Italian-made portable-auto AM-SW radio, which locks into a compartment under the dashboard when used as a car radio; price, \$69.95 • Muntz TV adds 23-in. TV-AM-FM-phono combination at \$395.

TV service was not needed in 1959 by nearly 50% of 2,500 Los Angeles families surveyed for Admiral by the Woodbury College Research Clinic. Findings: 25% called a TV serviceman only once during the year; 14% twice; 11% more than twice. The Admiral survey also found that 83% of the households required no service on radios during 1959. Only 13% needed one service call, 4% more than one.

Philco will market a coin-operated dry cleaning machine under the Philco-Bendix brand next year. The unit is slated for unveiling during the Feb. 1-5 show of the National Institute of Dry Cleaning in Philadelphia.

RCA Chmn. David Sarnoff was named "Man of the Years" last week by the fashion div. of the Federation of Jewish Philanthropies of N.Y.

**Trade Personals:** Jack S. Beldon, who resigned from RCA as of Dec. 1 (Vol. 16:48 p18), will join Magnavox in a high executive post, it was learned last week, although no announcement will be made until mid-December, and Beldon himself was unavailable for comment. Beldon joined RCA in Feb. 1959 as vp-gen. mgr. for home instruments, coming from GE, where he was TV mktg. mgr. He became president of RCA Sales Corp. a year ago, resigning from that post last August, but remaining with RCA until last week. In last August's reorganization, RCA group exec. vp W. Walter (Wally) Watts became RCA Sales Corp. chairman & president, taking over the responsibilities of former Chmn. P. J. Casella and of Pres. Beldon.

Leslie J. Woods retires Dec. 31 as Philco research & engineering vp, after 35 years with the company, during which he served in a wide variety of top engineering & executive posts, after an early role as Philco's first TV engineer—in 1928. No successor will be named, technical planning vp David B. Smith continuing as technical chief.

Dermot A. Dollar, RCA exhibits dir., reportedly will move into electronic data processing div. as sales administration mgr. . . . Earl M. Wood has retired as RCA industrial tube mgr. of operations; the onetime mgr. of RCA Lancaster kinescope plant is succeeded in the industrial tube post by Sidney White Jr. . . . John F. Daly, promoted to new post of mgr. of field activities, Admiral Sales Corp. commercial electronics div.

Alan R. Shilts resigns as Stromberg-Carlson vp-gen. mgr., his gen. mgr. duties taken over by Pres. James D. McLean; successor to Shilts may be announced next week . . . Charles G. Klock named pres.-gen. mgr., GE Credit Corp., succeeding George F. Mosher, who continues as a dir. & consultant.

James E. Archambault, president of Dormeyer Corp., recently acquired by Webcor (Vol. 16:48 p19), also assumes presidency of Webcor; Titus Haffa, former Webcor president, continues as chairman of both firms.

Alex Arnold, Motorola controller, elected vp . . . Dr. Jerome B. Wiesner, MIT electronics research lab dir., elected to Sprague Electric board; Dr. Jerrold Zacharias, distinguished MIT nuclear physicist, named Sprague consultant . . . Lester Krugman, ex-Emerson Radio mktg. vp and onetime NTA ad vp, elected vp, mktg. services, Digitronics Corp., Albertson, N.Y.

Clayton Kiernan, ex-Transitron, named national distributor sales mgr., heading new headquarters distributor organization of General Instrument semiconductor div. George Cohen named distributor headquarters sales mgr., Ronald Friedman distributor sales administrator of the semiconductor div.; both were formerly with General Transistor, now merged with General Instrument.

Emidio A. DeLollis appointed engineering mgr., Raytheon's receiving tube operations . . . Donald Christiansen promoted from information services mgr. to new post of publications mgr., CBS Electronics.

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S. I. Neiman, head of Public Relations Associates, Chicago, well known as an electronics industry PR man, is the author of a Civil War book, *Judah Benjamin*, the story of the Confederate Secy. of State. It will be published next summer by Bobbs Merrill.

**Distributor meetings:** RCA Sales Corp., consumer-products lines, Cleveland (Eastern distributors), Dec. 6-10, and San Francisco (Western), Dec. 13-17 • Sylvania Electronic Tubes, annual distributor sales meeting, Bal Harbour, Fla., Dec. 6-10.

**Mergers & Acquisitions:** Audio-Dynamics' proposed merger with Teletray (Vol. 16:47 p22) will be voted by stockholders Dec. 9. The amalgamation would grant public shareholders of Audio-Dynamics 70 shares of Teletray for each 100 of A-D; management shareholders, 37 of Teletray for each 100 A-D. Teletray last week declared a 1-for-3 stock dividend, payable Dec. 22 to shareholders of record Dec. 5. • Dictograph Products has acquired controlling interest in Bellaire Electronics, Red Bank, N.J. maker of electronic devices.

American Electronics and Electronic Specialty plan to merge & operate under a new corporate name, subject to the approval of both companies' stockholders at special meetings in January. Under the proposed amalgamation, American's Chmn.-Pres. Philip W. Zonne will become president of the new company. Electronic Specialty's Chmn.-Pres. William H. Burgess will serve as chairman. American holders would receive one share of the new firm for each share held. Electronic Specialty holders would get 1½ shares for each share held. • Houston Fearless, for 80,000 shares of common, has acquired privately-held Masterite Industries, Inglewood, Cal. manufacturer of printed-circuit connectors, electronic contacts and electrical assemblies. Masterite will function as a Houston Fearless div. • Telectro has formed & holds a 50% interest in Telectro-Mek, established to produce measurement & control instruments for jet engines. Telectro-Mek Pres. Daniel G. Russ holds the other 50% interest.

Bendix has sold its 7.5% interest in Elliott-Automation, British manufacturer of industrial instruments & equipment. • Sonotone has established a special department to design & develop new types of sintered plate, nickel-cadmium batteries. • English Electric Co. & London-based General Electric Ltd. have called off their merger plans (Vol. 16:40 p17) after failure "to bring to a successful conclusion their discussions on a merger by means of a holding company." • Friendly Frost (radio WGLI Babylon, N.Y., operator of 20 Friendly Frost Stores appliance & houseware outlets, other retail & service activities) has acquired County Hardware & Appliances' chain of 5 stores & warehousing in N.Y. & Conn.

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Kriss Electronics Inc., 191-95 Graton St., Newark, has been accused by FTC of misrepresenting rebuilt TV picture tubes as new. The FTC complaint alleged that used parts have been used in tubes labeled "new," giving "uninformed or unscrupulous dealers the means to deceive the public."

General Dynamics and Doubleday are publishing *Dynamic America*, a \$20 "history book" dealing with "the revolutionary transformation of America from an agrarian to an industrial civilization, the scientific & technical advances that caused it, and the contributing role of an astonishing American corporation, General Dynamics."

TV-accessory market for converters, tuners and antennas is opening up in West Germany with the advent Jan. 1 of the new commercial network there (Vol. 16:24 p7), the Commerce Dept.'s Bureau of Foreign Commerce points out. It estimates that about 3 million receiving sets will require accessories for uhf reception.

## Obituary

H. Robertson Boswell Jr., 66, recently retired sales executive, Westinghouse Electric International, died Nov. 28 at St. Luke's Hospital in N.Y. after a long illness. He had been asst. to the vp for foreign accounts. Surviving are his wife, a brother and 2 sisters.

## Finance

**Electronics Funds Report:** The net assets of the Television-Electronics Fund climbed to an annual record of \$339,389,489 at the close of its 1960 fiscal year Oct. 31. However, while assets were up sharply from \$308,147,613 a year ago, they were down from the \$357.8 million posted at the close of the 3rd fiscal quarter July 31 (Vol. 16:36 p15).

The fund's annual report gives net asset value per share as \$7.41 on Oct. 31, 1960, down from \$7.93 one year earlier. As of Oct. 31, the mutual fund's portfolio included \$261,809,680 in common stocks, \$2,196,250 in preferred, \$13,567,559 in corporate bonds, \$33,295,361 in commercial paper, \$13,460,614 in govt. securities. Portfolio changes during the quarter ended Oct. 31:

New additions: \$231,000 American Optical Co. 4.40% 1980 debentures; \$200,000 Comptometer 6½% -1970; 250 units Teleregister \$1,000 6% 1980 bonds (including 40 shares of common stock per unit).

Purchases: 5,000 shares of AT&T; 4,800 Bendix; 3,800 Clevite; 3,300 General Cable; 4,000 GE; 2,500 International Nickel (Canada); 8,300 Mallory; 4,200 National Cash Register; 12,000 Pitney-Bowes; 3,500 RCA; \$150,000 Bausch & Lomb 4¾% -1980; \$100,000 Burroughs 4½% -1981; 132,000 Collins Radio 4% -1980; \$200,000 Philco 4¼% -1984; \$200,000 Sperry Rand 5½% -1982; \$179,000 Thompson Ramo Woodridge 4¾% -1982.

Securities eliminated: 17,900 shares of Amphenol-Borg; 4,000 Atlee Corp.; 14,500 Bullard Co.; 23,600 Bulova; 32,500 Columbia Pictures; 14,500 Federal Pacific Electric; 5,750 Lab for Electronics; 20,000 W. L. Maxson; 15,300 Oak Mfg. Co.; 19,400 Philco; 6,000 So. Cal. Edison; 15,360 Systron-Donner; 18,000 Telecomputing; 2,400 TV Associates; 33,400 20th Century-Fox; \$550,000 Ampex 5% -1972; \$200,000 Telautograph 4¾% -1965.

Holdings reduced by sales: Sold 8,800 shares of ACF Industries; 10,764 Addressograph-Multigraph; 17,200 Allegheny-Ludlum; 15,000 Allis-Chalmers; 16,150 American Bosch Arma; 10,000 Borg-Warner; 10,000 Cincinnati Milling Machine; 9,100 Eaton Mfg. Co.; 4,600 Friden; 15,000 Ford Motor; 5,000 Garrett Corp.; 10,200 General Mills; 10,000 GM; 10,000 General Railway Signal; 16,500 General Telephone; 8,300 Harris-Intertype; 15,000 ITT; 12,300 Lockheed Aircraft; 12,450 Mergenthaler Linotype; 5,000 Minn. Mining; 8,000 National Acme; 6,000 Northrop; 16,000 Otis Elevator; 39,200 Paramount Pictures.

\* \* \*

Electronics Investment Corp. reports its net assets climbed to \$32,377,675 as of Oct. 31—up from \$29,416,986 one year earlier. Its semi-annual report notes that net asset value per share declined slightly to \$7.26 from the preceding year's \$7.31, after adjustment for the mutual fund's net capital gains distribution of 55.5¢ a share paid May 31, 1960. As of Oct. 31, the portfolio included \$26,801,072 in common stocks, \$26,869, 514 preferred, \$2,787,293 bonds & notes, and \$1,535,406 U.S. govt. obligations. Portfolio changes during the July 31-Oct. 31 quarter:

Purchases: 1,200 shares of Aerojet General (making a total of 13,200); 4,200 Ampex (total 19,200); 4,000 Elliott Automation (152,300); 800 GE (8,000); 14,500 Hallicrafters (14,500); 173,900 Hartmann & Braun (173,900); 2,300 Litton (8,500); 1,500 Microwave Associates (18,700); 3,600 Packard Bell (26,732); 1 Raytheon (10,757); 200 Siemens & Halske (7,000); 1 Varian (21,334); 2,200 Western Union (12,200). Bonds purchased: \$310,000 Collins 4¾% convertible debentures due 1980 (\$890,000); \$100,000 Eitel-McCullough 5½% convertible subordinate debentures due 1974 (\$240,000).

Sales: 700 Borg-Warner (8,300 still held); 15,200 Cobu (5,043); 2,500 Eastern Industries (6,548); 3,400 Emerson Electric (10,749); 400 Hazeltine (8,172); 3,000 Speer Carbon (7,000); 4,400 Sperry Rand (10,500); \$2.2 million U.S. Treasury bills (\$1.5 million).

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AB-PT expects record profits for 1960 on gross revenues of about \$325 million—or 13% higher than last year's \$288 million—Pres. Leonard H. Goldenson told the Investment Analysts Society of Chicago last week. He said the improvement in net income may not equal the 48% rise in per-share results reported for the first 9 months of this year. Most of the improvement, he predicted, will be due to an anticipated 30% rise in gross billings of ABC-TV network—to about \$164 million from \$126 million last year. In the next 5 years, he foresaw the network's gross revenues doubling, due to increasing penetration of top markets, a possible rate increase and expansion of the broadcast day. Noting that TV is now growing faster overseas than in the U.S., he pointed out that AB-PT has interests in TV stations in Australia, Venezuela, Ecuador, Lebanon and 5 countries in Central America.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex	1960—6 mo. to Oct. 31	\$32,244,000	—	\$ 361,000	\$0.05	7,278,230
	1959—6 mo. to Oct. 31	31,480,000	—	1,780,000	.25 <sup>1</sup>	7,217,943 <sup>1</sup>
	1960—qtr. to Oct. 31	15,876,000	—	17,000	—	7,278,230
	1959—qtr. to Oct. 31	16,685,000	—	954,000	.13 <sup>1</sup>	7,217,943 <sup>1</sup>
Automatic Radio Mfg.	1960—year to Sept. 30	15,075,687	\$3,536,152	1,766,152	.95	144,450
	1959—year to Sept. 30	13,871,695	3,796,395	1,849,561	.99	144,450
Desilu Productions	1960—26 wks. to Oct. 29	8,462,495	242,917	120,917	.10	1,155,940
	1959—26 wks. to Oct. 31	10,717,953	936,608	507,108	.44	1,155,940
	1960—qtr. to Oct. 29	5,903,717	—	322,314 <sup>2</sup>	.28	1,155,940
	1959—qtr. to Oct. 31	6,917,979	—	242,058 <sup>2</sup>	.21	1,155,940
Federal Pacific Electric	1960—qtr. to Sept. 30 <sup>3</sup>	24,369,179	839,084	479,384	.11 <sup>4</sup>	—
	1959—qtr. to Sept. 30	17,191,510	—	1,109,394	—	—
Lab for Electronics	1960—6 mo. to Oct. 28	20,725,000 <sup>2</sup>	—	911,000 <sup>2</sup>	1.30	700,628
	1959—6 mo. to Oct. 28	17,205,000	—	423,000	.81	525,022
Microwave Associates	1960—year to Sept. 30	8,691,500 <sup>2</sup>	—	633,800 <sup>2</sup>	.64	—
	1959—year to Sept. 30	6,670,487	—	384,492	.39	—
Perkin-Elmer	1960—qtr. to Oct. 31	5,391,363	278,500	138,710	.11	1,247,148
	1959—qtr. to Oct. 31	3,246,721	116,246	55,550	.05	1,146,238
20th Century-Fox	1960—39 wks. to Sept. 24	86,647,036	—	3,732,729 <sup>5</sup>	1.57	2,383,286
	1959—39 wks. to Sept. 24	85,933,864	—	2,930,532	1.25	2,338,536

Notes: <sup>1</sup>Adjusted for Jan.-1960 3-for-1 split. <sup>2</sup>Record. <sup>3</sup>Includes Cornell-Dubilier and Pioneer Electric, acquired after Sept. 30, 1959. <sup>4</sup>After

preferred dividends. <sup>5</sup>Includes non-recurring income of \$735,614 from insurance on death of an employee.

Reports & comments available: Amphenol-Borg Electronics, review, Fahnestock & Co., 65 Broadway, N.Y. 6 • General Precision Equipment, study, Cohen, Simonson & Co., 25 Broad St., N.Y. 4 • MGM, research bulletin, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4; review by Hooker & Faye, 221 Montgomery St., San Francisco 4 • Hazeltine, review, Penington, Colket & Co., 70 Pine St., N.Y. 5 • Sperry Rand, analysis, Laidlaw & Co., 25 Broad St., N.Y. 4 • Davega Stores, prospectus, Amos Treat & Co., 79 Wall St., N.Y. 5.

Ling-Temco Electronics common stock may be traded on an unlisted basis on the Philadelphia-Baltimore and Midwest stock exchanges under SEC-approved application.

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Bendix	Q	\$0.60	Dec. 28	Dec. 10
British Industries	Q	.12 1/2	Dec. 21	Dec. 12
British Industries	Ex.	.25	Dec. 21	Dec. 12
Corning Glass	Q	.37 1/2	Dec. 27	Dec. 12
Corning Glass	Ex.	.50	Dec. 27	Dec. 12
Heli-Coil	SA	.30	Dec. 15	Dec. 9
Internat'l. Resistance	Ex.	.12 1/2	Dec. 29	Dec. 15
MGM	Q	.40	Jan. 13	Dec. 16
Radio Condenser	—	.07 1/2	Dec. 20	Dec. 5
RCA	Q	.25	Jan. 23	Dec. 16
RCA	Stk.	2%	Jan. 30	Dec. 16
Standard Kollsman Ind.	Stk.	3%	Dec. 30	Dec. 19
Standard Radio Ltd.	Q	.20	Jan. 10	Dec. 20
Teletray Electronics	Stk.	33 1/3%	Dec. 22	Dec. 5
Times-Mirror	Stk.	4%	Jan. 16	Dec. 15
Times-Mirror	Q	.10	Dec. 23	Dec. 7
20th Century-Fox	Q	.40	Dec. 30	Dec. 16
Wells-Gardner	Q	.30	Dec. 15	Dec. 8
Zenith	Q	.40	Dec. 29	Dec. 9
Zenith	Ex.	.50	Dec. 29	Dec. 9
Zenith	Sp.	.50	Jan. 27	Jan. 6

### OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 1, 1960  
Electronics TV-Radios-Appliances Amusements

The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.

Stock	Bld Asked	Stock	Bld Asked
Acoustica Associates	17 1/2 19 1/2	Magnetic Amp.	— —
Aerovox	7 3/4 8 5/8	Magnetics Inc.	7 1/4 8 8/8
Allied Radio	22 23 23 1/2	Maxson (W.L.)	7 1/2 8
Astron Corp.	1 3/8 1 7/8	Meredith Pub.	40 43 1/2
Baird Atomic	20 3/4 22 1/2	Metropolitan Bctg.	16 1/2 17 1/2
British Industries	15 1/2 16 1/2	Milgo Electronics	16 1/4 17 1/2
CGS Labs	7 8 8/8	Narda Microwave	4 4 4/4
Cetron	3 3/4 4 1/2	Nuclear of Chicago	34 1/4 37
Control Data Corp.	47 50 50 1/2	Official Films	2 1/4 2 5/8
Cook Elec.	12 13 1/2	Pacific Automation	4 1/8 4 4/8
Craig Systems	16 17 1/4	Pacific Mercury	6 3/8 7 1/2
Dictaphone	30 32 1/2	Perkin-Elmer	41 44
Digitronics	21 23 23 1/2	Philips Lamp	154 1/2 160 1/2
Eastern Ind.	14 1/2 15 1/2	Pyramid Electric	2 7/8 3 3/8
Eitel-McCullough	14 1/2 15 1/2	Radiation Inc.	20 1/4 22 1/4
Elco Corp.	13 1/2 14 7/8	Howard W. Sams	39 1/2 42 1/2
Electro Instruments	18 20 20	Sanders Associates	29 1/4 31 1/2
Electro Voice	8 1/2 9 1/2	Silicon Transistor	4 1/2 5 1/2
Electronic Associates	28 30 30	Soroban Engineering	33 1/2 37 1/2
Erie Resistor	7 3/4 8 8/8	Soundscriber	14 3/4 16 1/2
Executive	26 29 29 1/2	Speer Carbon	18 1/2 20 1/2
Farrington Mfg.	27 29 29 1/2	Sprague Electric	45 1/2 48 1/2
Fischer & Porter	18 1/4 19 1/2	Sterling TV	1 1/8 1 1/2
FXR	36 39 39 1/2	Taft Bctg.	11 1/4 12 1/2
General Devices	8 3/4 9 1/2	Taylor Instrument	32 3/4 35 1/2
G-L Electronics	7 1/4 8 8/8	Technology Inst.	6 1/4 8 1/4
Granco Products	3 3 3/8	Tele-Broadcasters	3/4 1-3/16
Gross Telecasting	19 1/4 21 1/4	Telechrome	10 11 1/4
Haydu	1/16 1/4	Telecomputing	7 1/2 8 1/2
Hewlett-Packard	26 26 1/2 28	Telemeter	10 1/2 11 1/2
High Voltage Eng.	150 160	Time Inc.	65 1/2 69
Infrared Industries	17 18 18 1/2	Tracerlab	8 1/2 9 1/2
International Rectifier	23 24 24 1/2	United Artists	5 3/4 6 1/2
Interstate Engineering	20 22 22 1/2	United Control	17 18 1/2
Itek	52 56 1/2	Universal Trans.	1 1/2
Jerrold	7 7 1/2	Vitro	9 1/2 10 1/2
Lab for Electronics	48 51 1/2	Vocaline	2 1/2 3 1/16
Lel Inc.	4 3/4 5 1/2	Wells-Gardner	18 19 1/2
LFE Inc.	2 2 1/2	Wometco Ent.	13 1/4 14 1/2
Magna Theater	— —		

Walt Disney Productions expects to report a net loss of about \$1.4 million for its 1960 fiscal year ended Oct. 1, compared with the profit of \$3.4 million (\$2.15 a share) earned on a gross income of \$58.4 million in the preceding fiscal. Pres. Roy O. Disney attributed the loss to a \$5-million writing-down of the value of the company's film library, but foresaw, as a result, a "good, profitable year" in fiscal 1961. Without the write-down, Disney said, the company would show a \$1.1-million profit. The item covers all films in process or release, he explained and reflects, in part, a "general softening in the theatrical motion picture market in most countries [and a] considerable leaning on the part of the public toward pictures involving violence, sex and other such subjects." The latter trend has adversely affected Disney pictures, he noted.

Extra dividends were declared last week by Zenith, Corning Glass and International Resistance. In addition to its regular quarterly declaration of 40¢, Zenith authorized an extra 50¢ dividend, both payable Dec. 20 to holders of record of Dec. 9, and a special 50¢ dividend, payable Jan. 27 to holders of record Jan. 6. Corning declared a 50¢ extra in addition to its regular quarterly 37½¢ dividend, both payable Dec. 27 to holders of record Dec. 12. IRC's additional dividend is for 12½¢, payable Dec. 29 to holders of record Dec. 15. The company's regular quarterly dividend of 7½¢ was payable Dec. 1.

Davega Stores is offering its stockholders rights to subscribe for \$1.5 million of 6½% convertible subordinated debentures due 1975. The offering is on the basis of \$100 of debentures for each 25 shares of common held of record Nov. 23. The subscription price is par. Rights to subscribe will expire Dec. 14. The proceeds will be used in part to furnish 2 new retail discount centers—in Brooklyn & in New Brunswick, N.J.

Reeves Soundcraft Corp. has filed an SEC registration statement (File 2-17327) for a secondary stock offering of 150,000 common shares, price unreported. The shares will be bought by underwriters Emanuel, Deetjen & Co. from Prudential Insurance Co. of America, which holds warrants for them at \$3 per share. The SEC statement said Reeves will receive none of the proceeds from the public sale.

Electronic Tube Corp., Philadelphia maker of electronic testing devices in the aircraft, missile and medical fields, plans public sale of 100,000 common stock shares through underwriters headed by Harrison & Co.

Vactron Corp., Mansfield, Tex. TV-tube rebuilder, is undergoing reorganization under Chapter X of the Bankruptcy Act with Ben M. Gilbert of Fort Worth as court-appointed trustee. SEC will participate in the proceedings in which the company lists 3,300 holders of 791,431 common stock shares (\$2 par value) and assets of \$1.6 million, liabilities of \$360,598.

Diversification Institute Inc., 80 Pine St., N.Y., organized by the N.Y.-Washington management consultant firm of Boni, Watkins, Jason & Co. Inc., offers a brochure outlining services it offers to companies contemplating diversification moves. The services range from "a single consultation to a full implementation of a diversified program."

Electronic Research Associates, Cedar Grove, N.J. maker of electronic equipment, reports a profit of \$43,600 on \$568,023 sales in fiscal-1961's first quarter ended Aug. 31. In the year-ago quarter, the company earned \$19,800 on \$424,839 sales.

International Rectifier will be listed for trading on the New York Stock Exchange Dec. 12. Symbol: IRF.

## Educational Television

**How to Begin State ETV:** The profile of a statewide ETV system in the making is sharply drawn in a survey & report on the feasibility of such a network for the state of Kansas. The report is slated for presentation before the Kansas Legislature at its next general session, beginning Jan. 10. It was drawn by a committee of ETV consultants & specialists headed by John C. Schwarzwalder (educational KTCA-TV St. Paul-Minneapolis gen. mgr.) as survey dir.

Concluding that "a statewide system for ETV for Kansas is entirely feasible [and] could solve many of the state's most pressing & immediate educational problems," the consultants recommend "a system of 6 transmitters (5 vhf, 1 uhf) covering the state, interconnected to each other and connected, in turn, to 7 production centers where programs can be produced."

The total capital cost for such a system is estimated at \$6,752,877, after the 10% discount normally given to ETV-equipment buyers. This includes the gross charges of \$2.6 million for transmitting equipment, \$1.3 million for studio gear, \$1.1 million for a microwave relay system, \$2.3 million for housing.

The annual operating cost of the proposed statewide system, based on operation 40 hours a week or 2,000 hours a year, is listed at \$659,322. The major costs: Salaries for 67 employees including 22 part-timers, \$373,960; technical operating costs, \$183,593; film expense, \$22,000; personnel expense, \$11,218. Included under the recommended salary schedule: Executive director, \$15,400; assistant executive director, \$12,480; chief engineer, \$12,000; program manager, \$12,000; assistant chief engineer, \$9,600.

The report concludes that "the statewide system can be on the air within 18 months of the appropriation of funds—the capital costs of \$6,752,877 & of an additional \$710,000 for operating costs during the first 2 years. Operating funds for the first 6 months would approximate \$65,000, for the 2nd 6 months \$115,000, for the 3rd 6 months \$200,000 and for the first 6 months of operations on the air \$330,000."

## Auxiliary Services

**TelePrompTer-Kaiser Hawaiian Deal:** Plans for a jointly-owned corporation to provide a CATV system in a Kaiser-developed resort town, Hawaii-Kai, have been announced by TelePrompTer Corp. Pres. Irving Kahn and Kaiser industries Chmn. Henry J. Kaiser. The system will distribute signals by underground cable.

"An important aspect of the plan," stated Kaiser, "is that in addition to providing uniformly clear reception of TV signals from 3 Honolulu stations, it will make possible an ETV channel." Negotiations for such a 4th station are now under way. TPT would provide facilities for the ETV outlet, as well as handle the distribution via cable.

The future of TPT-Kaiser CATV will depend on the success of the test experiment, said TPT. "Ultimately it is our hope to expand CATV to all Hawaiian areas which suffer from inadequate TV reception," Kahn reported.

Kaiser-Burns Development Corp. (Hawaiian Village Hotel) owns KHVN-TV & KHVN Honolulu, satellite KHJK Hilo & 2 uhf translators in Hawaii.

\* \* \*

Tenth anniversary for TelePrompTer occurred Dec. 4, which day marked a decade of network-level use of the firm's actor-prompting equipment.

# WEEKLY Television Digest

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PT

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

## SUMMARY-INDEX OF WEEK'S NEWS

### FCC

**FCC MOVES TO BAR "TRAFFICKING."** starts rule-making to prohibit sales of stations held less than 3 years, with certain exceptions (p. 1).

**TV ALLOCATIONS**—FCC still discussing. No decision reached but Commission aims for a position by the time Congress convenes. All-channel-set legislation has strong backing (p. 2).

**FIRST SHORT-TERM STATION LICENSE** is issued—to Richard Eaton for his 5 stations (p. 3).

**MULTIPLE OWNERSHIP RULE** would be eased under new Commission proposal (p. 9).

### Networks

**CBS & ABC REVAMP OPTION TIME.** As expected, there's no major program shakeup. (p. 2).

**SECOND CANADIAN NETWORK** gets tentative go-ahead. S. W. Caldwell's Canadian TV Network Ltd. may have difficulties meeting BBC's conditions (p. 3). Canada station grants (p. 11).

### Congress

**TV FIGHT CONTROLS BY GOVT. URGED** at Senate hearings on boxing rackets. Sen. Kefauver (D-Tenn.) says new federal athletic commission may be needed (p. 3).

**HOUSE TV COVERAGE SOUGHT BY NAB**, which urges relaxation of rule in order to permit cameras & microphones in hearing rooms. No decision on live White House TV (p. 6).

### Film & Tape

**NEW TAX RULE IRKS TV FILMERS.** Their reaction to "clarification" of the TV tax ranges from annoyance to indifference (p. 7).

**EXTRAS SIGN COMMERCIALS PACT:** SEG, SAG & N.Y. film producers reach terms; special rates established (p. 7).

### Consumer Electronics

**MORE DOLLARS PER SALE** in TV this year, despite declining unit sales. Average September TV factory price was \$4.40 higher than a year ago. Public increases its buying of consoles & combos (p. 15).

**ALL-OUT DRIVE** mapped by Corning for laminated tube. Glass maker sticks with bonded approach, insists it is superior to all competitive processes (p. 15).

**TV RETAIL SALES** in Oct. 13% below same month last year, radio sales up 10%. Full-year 1960 estimates: TV, 5,785,000 units vs. last year's 5,749,000; radio, 10.5 million vs. 8.9 million (p. 17).

**CONSUMER READY** to start buying again, survey indicates. TV at top of list, with post-election purchase plans 21% higher than year ago (p. 17).

**IMPORTED TV MOVING**, says Delmonico, chalking up record sales. Sears buys 4,000 of its Japanese 19-in portables for promotion-pricing at \$128 (p. 18).

### Auxiliary Services

**CATV LEGISLATION** considered by FCC and NAB committee—both stress "non-duplication" & "carry local-station signals" (p. 9).

### Programming

**BLOCK-BOOKING DECISION** by Judge Dawson will bring no appeals from the 6 film companies (p. 5).

### Advertising

**SPOT TV RAN 4% AHEAD** in 3rd quarter with \$125 million in gross time billings (p. 12).

### Other Departments

**TECHNOLOGY** (p. 6). **FOREIGN** (p. 6). **EDUCATIONAL TV** (p. 10). **PERSONALS** (p. 14). **FINANCE** (p. 20).

**FCC MOVES TO BAR STATION 'TRAFFICKING':** FCC's intentions to tighten station-sales policies and discourage quick-buck trafficking (Vol. 16:45 et seq.) are now definite. With 5-2 vote, Comrs. Hyde & Craven dissenting, Commission proposed to restrict sales of stations held less than 3 years, as we indicated. Exceptions would be allowed, FCC said, when "the assignor or transferor has made an affirmative showing, based on probative evidence, to support his assertion that due to inadequacy of operating capital, to death or disability of station principals or of key management personnel, or to other changed circumstances affecting the licensee or permittee occurring subsequent to the acquisition of the license or permit, Commission consent to the proposed assignment or transfer of control will serve the public interest, convenience & necessity." In proposing the new rules (comments due Jan. 16), the Commission gave these reasons:

"The frequent turnover of a large number of broadcast stations is a matter of concern both to the Commission & Congress. Voluntary sales of stations which have been held by their owners for short periods raise questions as to whether they are engaged in trafficking in broadcast interests and whether the resultant uncertainty on the part of station personnel and disruption in operating continuity causes programming deterioration incompatible with broadcasting in the public interest." Commission also offered statistics on turnover, as we disclosed previously (Vol. 16:45 p5).

Commission went too far for dissenters Comrs. Hyde & Craven, not far enough for concurren Bartley. Dissenters insisted that Congress intended no time limit on station holdings. "It would be a serious error," Hyde said in a statement with which Craven concurred, "for the Commission to adopt a rule that would tend to discourage the investment of private venture capital for the purpose of improving station operation & public acceptance. I submit that the rigid rule here proposed by the majority may unintentionally have this result."

"To carry out the Commission's responsibility to stamp out trafficking, I would subscribe to a procedural rule designed to facilitate a most comprehensive administrative evaluation of all pertinent factors pertaining to each transfer or assignment of a broadcast license, with an additional burden of persuasion resting upon those licensees or permittees who are divesting after short tenure or in other circumstances giving rise to a question of trafficking. In such a review the length of the holding period would be one factor among other pertinent facts to receive consideration in determining whether approval of a proposed transfer would be in the public interest."

Bartley said that the majority is too lax. "I would have preferred," he said, "that we receive comments on a rule which is based upon the fact that the fundamental public-interest considerations in all transfer cases is not merely how long a license has been held, but the quality of service rendered to the public both before & after the transfers take place . . . .

"I favor the promulgation of a rule which would implement the foregoing policy, one which would place upon an assignee or transferee the burden of an affirmative showing with respect to implementation of, or improvement among, the following public-interest areas: (a) Licensee responsibility, (b) Integration of ownership & management, (c) Local residence, (d) Diversification of control of mass media, (e) Fostering competition among broadcast stations, (f) Participation in community affairs, (g) Direct supervision of the station, (h) Public-service responsibility, (i) and a continuing awareness of & attention to the needs of the area to be served. If the showing is meritorious and the applicant is qualified in all other respects, consent would be granted without a hearing."

**TV ALLOCATIONS—FCC STILL DISCUSSING:** Nothing final was agreed on at FCC's closed-session consideration of TV allocations last week. However, Commission is striving vigorously to come up with policy position to offer Congress when it convenes Jan. 3.

Commission came to no vote on choice of alternatives before it, including those analyzed by staff (Vol. 16:49 p4), but it's understood that one factor was very live topic last week: All-channel sets. Strong faction within Commission believes that all-channel sets—henceforth—are basic to any allocations solution, immediate, short-range, long-range or what have you. We'd say there's excellent chance Commission will recommend all-channel legislation to Congress—despite manufacturing industry's opposition (Vol. 16:49 p17).

There's some thought at Commission that all-channel sets may be produced an easier way—by getting Justice Dept. to grant anti-trust immunity to set makers who agree jointly to make such sets. There's no major steam in this idea, at the moment—because of doubt that the technique would really produce the sets.

**CBS & ABC REVAMP OPTION TIME:** As expected, there was no major shakeup in CBS-TV's basic program lineup (Vol. 16:49 p15) when that network announced its revised option-time pattern last week (see p. 4.) Only a moderate number of CBS network shows will be out on a station-option limb as of Jan. 1, and CBS expects most of them to have little trouble finding station clearances.

ABC-TV, too, announced first details of its revised option plan late last week. Generally, it's like the CBS pattern on week nights, differs slightly on week-end nights and in daytime by starting a half-hour earlier (see p. 4).

NBC-TV took a "no comment" position when queried for reaction to CBS's option formula. The network, of course, was quietly putting fishing touches on its own option-time revisions, but N.Y. sources were willing to make a few off-the-record guesses.

Most likely evening move for NBC-TV will be to protect the 60-min. film series ("Laramie," "Wagon Train," "Outlaws," etc.) which open weeknight schedules at 7:30 p.m. If option time starts at 8 p.m., for example, few stations will dare throw out the first half of a sponsored hour-long show, and NBC has fewer network shows than CBS in the 10:30-11 p.m. period. The marginal-time Jack Paar and Dave Garroway shows will continue to take their chances in getting clearances in station-option time.

Stations, of course, can now kick out any shows that land outside revised network-option periods. Film syndicators are generally of the opinion that weaker network shows will be station-bounced, thus providing an expanded market for syndicated telefilms & features. Networks have meanwhile been reassuring worried agencies & clients that option-time sitting ducks are perfectly safe—so long as they maintain audience support.

**SHORT-TERM STATION LICENSE DEBUTS:** FCC's first short-term licenses have been granted to Richard Eaton for his 5 stations, because it found he hasn't given them enough "personal supervision." The Commission had investigated his operations, queried him about them, and he had responded with assurances that he would pay more attention. The Commission then renewed his facilities until March 1, 1962, said it would review the situation at that time and see whether he had kept his promises. The stations: WMUR-TV Manchester, N.H., radios WANT Richmond, WFAN (FM) Washington, WINX Rockville Md., WSID Baltimore.

The vote was close—Comrs. Hyde, Craven & King dissenting. Hyde said he dissented for same reasons he disagreed with majority on whole concept of short licenses: "I am very much concerned that this scheme of things will tend to put more & more program responsibility on the Commission in the public mind and less responsibility on the licensees where it belongs."

**TV-BOXING CONTROLS BY GOVT. URGED:** Previously unheard-of threats of additional govt. regulation of broadcasting—by proposed new Federal Athletic Commission—were raised last week at Senate hearings on gangster influences in big-time boxing.

Televised fights must be kept clean, and establishment of new federal agency may be needed to do it, said Chmn. Kefauver (D-Tenn.) of Judiciary Anti-Trust & Monopoly Subcommittee. He said he deplored idea of setting up yet another Washington bureau, but warned that Congress may have to take the step to assure more "honesty & uniform regulations" for ring business.

Long arm of underworld touched TV as well as managers, promoters, matchmakers and all other aspects of boxing, witnesses testified at Kefauver hearings. In fact, said Secy. Truman Gibson of now-dissolved International Boxing Club, TV has become so big in mobster-ridden fight operations that: (1) Networks & sponsors actually "call the shots." (2) Sport would die without TV. (3) Interstate telecasts have made boxing "a classic example of an area that needs federal regulation" in place of state licensing.

Nobody charged that networks or sponsors were in cahoots with gangland figures. But parade of ring characters told Subcommittee that contracts for big fights—and big TV purses—couldn't be arranged without deals with such notorious operators as Frankie Carbo, who now is in jail.

Saddest ring saga of all was told by ex-TelePrompTer vp William P. Rosensohn. He ruefully recounted how his venture in promoting first Floyd Patterson-Ingemar Johansson heavyweight fight (Vol. 15:20 p9 et seq.) cost him \$70,000. Rosensohn testified that gamblers Anthony (Fat Tony) Salerno & Charles Black muscled in on his Rosensohn Enterprises Inc., then ganged up with TelePrompTer Pres. Irving Kahn to try to push him out of his company altogether.

Note: Newspaper payola practices of boxing promoters, which Subcommittee staffers have investigated (Vol. 16:46 p12), were touched only lightly at last week's hearings. In answer to Subcommittee questions, IBC's Gibson conceded he had paid out money to undercover promoter Frank (Blinky) Palermo, but denied that he had ever put any sports writers on his payroll.

**2ND CANADIAN NETWORK GETS GO-AHEAD:** Canada has given tentative nod to formation of that country's first privately-owned TV network—to compete with CBC in areas with competitive stations. OK was given to the sole applicant—group headed by big Toronto TV-film producer-distributor Spencer W. Caldwell (Vol. 16:47 p7).

Caldwell's Canadian TV Network Ltd. (CTN) faces some rather formidable obstacles, however—which could keep it from getting off the ground. While approving formation of network company, Board of Broadcast Governors laid down these conditions: (1) CTN must apply for permit to operate before Aug. 31, 1961. (2) Programming time must be at least 10 hours weekly at outset. (3) BBG must approve outline of new network's programming. (4) At least 6 affiliates must sign up for network service.

That last proviso may be the big rub. Only 8 grantees (3 of which are now on air) are in "competi-

tive" situations and therefore eligible to affiliate with CTN. One of them, Toronto's CFTO-TV, has already told BBG it is opposed to joining large private network (Vol. 16:49). Others are described as "reluctant."

Caldwell told BBG that CTN could start operating next September, providing 10 hours of programming weekly over existing microwave facilities until Trans-Canada Telephone System installs new routes especially for the network. The 8 "competitive" cities which network is designed to serve are scattered coast to coast: Toronto, Winnipeg, Vancouver, Calgary, Ottawa, Montreal, Halifax, Edmonton.

CBC doesn't intend to get into competitive-programming dogfight with new network, Pres. Alphonse Ouimet said in Toronto. He vowed CBC won't follow U.S. pattern "wherein Western is matched by Western and stations battle over decimal points in audience ratings." New stations & CTN were warned, however, that they will find CBC-TV's "commercial activities conducted with vigor & competence."

New-station grants & other actions by BBG are reported on p. 12.

## Networks

### More about

**NEW OPTION-TIME PATTERNS:** Most of CBS-TV's strongest audience attractions fit cozily inside the trimmed-back option-time pattern which goes into effect Jan. 1. As announced by the network Dec. 6 to its affiliates (see p. 2), the changes shape up as follows:

**Nighttime:** For stations in the Eastern and Pacific time zones, Mon.-Fri. network option time will begin at 8:30 p.m. & end at 11. Stations in the Central Time zone will use 7:30-10 p.m.; Mountain Time will use 6:30-9 p.m. On weekends, Eastern outlets will have a Sat.-Sun. network option pattern that moves a half-hour earlier, 8-10:30 p.m., with corresponding half-hour moves for other zones.

Is the schedule seriously affected? Not really. Currently, CBS slots *CBS-TV News* from 7:15 to 7:30 p.m. in station time, receives good clearances. On other nights, some programs are threatened (theoretically) with local pre-emption for syndicated shows, features, etc. Among them: *To Tell the Truth* and *Pete and Gladys*, Mon. 7:30-8 p.m. and 8-8:30 p.m.; *Father Knows Best* (reruns), Tue. 8-8:30 p.m.; *Aquanauts*, Wed. 7:30-8:30 p.m.; *The Ann Sothern Show* and *Angel*, Thu. 7:30-8 p.m. and 8-8:30 p.m. (eff. Dec. 15, replacing *The Witness* which moves inside network option to a 9-10 p.m. berth); *Rawhide*, Fri. 7:30-8:30 p.m. Nearly all fall into 2 distinct categories: (1) Shows that are rating so well, the network isn't worried about clearance, or (2) Shows that aren't doing terribly well (like *Aquanauts*) and which the network has been thinking of junking at the end of the season anyway.

On weekends, the Sat-night *Perry Mason* (7:30-8:30 p.m.) is doubly protected by its strong ratings and the fact that its second half (8-8:30 p.m.) is within network option time. On Sun., the before-8 p.m. lineup includes a solid block of network shows that bridge the gap between 5 p.m., when network option ends, and 8 p.m., when it begins again. These include *Ted Mack's Amateur Hour*, *GE College Bowl*, *Face The Nation*, *20th Century*, *Lassie* and *Dennis The Menace*. The last-named 3, at any rate, have achieved ratings that will make stations think twice about dropping them; the earlier 3 have faithful (& vocal) audiences and considerable prestige.

**Morning, afternoon:** In the CBS morning lineup, Eastern & Mountain stations will have 10:30 a.m. to 1 p.m. as network-option time. For Central & Pacific stations, it's 9:30 a.m. to noon. Same times apply weekdays & weekends.

There's actually very little commercial network fare outside these brackets. There's a 10-min. news segment at 8 a.m. and *Captain Kangaroo* at 8:15-9 a.m. Both have won

good clearances in station time. Local shows follow, and only reruns of *December Bride*, a network participation carrier in the 10-10:30 a.m. slot, is then left in station time. CBS's biggest morning draws, which begin with *Video Village* (10:30-11 a.m.) and run through *Guiding Light* (12:45-1 p.m.) are inside network time. On weekend mornings, programming is either aimed at moppet viewers with fairly regular sponsorship (Sat.) or is prestige-type fare that isn't a major source of network revenue (Sun.).

Much the same is true of the afternoon scheduling, which operates at 2:30-5 p.m. Mon.-Sun. for Eastern stations, 1:30-4 p.m. for Central, Mountain and Pacific outlets. Again, the big sponsored network lineup, starting on weekdays with *Art Linkletter's House Party* (2:30-3 p.m.) and continuing through *Edge of Night* (4:30-5 p.m.), is within network time. Weekends are filled at these times with kid shows & sports, both relatively safe from pre-emption.

**Summed up:** There may, of course, be some CBS shuffles to move shows from outside the network-option corral to the relative safety of network-controlled periods, with weaker shows swapped into the new station-option slots. Nobody at CBS last week, however, would make specific predictions, and the general impression was that the schedule would be left pretty much alone. NBC hasn't announced its revised option-time plans, but will probably follow a pattern much like CBS's, although adjusted to fit its own program strengths.

\* \* \*

**ABC's option pattern**, announced a few days after that of CBS, is much like it—with some interesting variations. For the Eastern & Pacific zones, evening network-option time spans 8:30-11 p.m. every night of the week (CBS's is 8-10:30 p.m. on weekends, 8:30-11 p.m. other nights). Central & Mountain zone stations will use a 7:30-10 p.m. pattern for the same programming.

The morning network-option schedule on ABC is also like CBS's—10:30 a.m.-1 p.m. for Eastern, Central and Pacific outlets. For Mountain outlets, it's 9:30 a.m.-noon. In the afternoons, the schedule is 2-4:30 p.m. for Eastern, Central and Pacific outlets, 1-3:30 for Mountain zone stations, Mon.-Fri. On weekend afternoons in Eastern, Central and Pacific zones, it's 3:30 p.m.-6 p.m. (an hour later than CBS's schedule), 2:30-5 p.m. for Mountain stations.

**ABC-TV** scored another foreign network sale last week. Goodyear (through Kudner) signed a 52-week contract with the Central American TV Network, which ABC represents and in which it has an interest. On Nov. 1, Nestle made a similar deal with CATVN (Vol. 16:45 p9). Goodyear will sponsor a Spanish-dubbed, weekly half-hour show, *The Man & the Challenge*, after Jan. 1.

## NETWORK SALES ACTIVITY

### ABC-TV

**The Bing Crosby Show**, Mon. March 13, 9:30-10:30 p.m., one-time special, full-sponsorship  
*Oldsmobile* (D. P. Brothers)

**The Law & Mister Jones**, Fri. 10:30-11 p.m.; **The Islanders**, Sun. 9:30-10:30 p.m.; **Walt Disney Presents**, Sun. 7-7:30 p.m.; **The Roaring 20's**, Sat. 7:30-8:30 p.m., part. eff. Jan.  
*Simonize* (Dancer-Fitzgerald-Sample)

**Daytime Programming**, Mon.-Fri., participations eff. June  
*Welch* (Richard K. Manoff)  
*Carter* (Ted Bates)

### NBC-TV

**NBC Special News Reports**, as events develop, full-spon.  
*Gulf Oil* (Young & Rubicam)

**The Coming of Christ, (Project 20)**, Wed. Dec. 21, 8:30-9 p.m., full-sponsorship  
*U.S. Steel* (BBDO)

**Tournament of Roses Parade**, Mon. Jan. 2, 11:30 a.m.-1:45 p.m., full sponsorship.  
*Minute Maid* (Ted Bates)

**The Shirley Temple Show**, Sun., 7-8 p.m., part. eff. Jan. 1.  
*National Biscuit* (Kenyon & Eckhardt)

**Sing Along with Mitch**, alt. Fri., 9-10 p.m., part. eff. Jan. 27.  
*P. Ballantine & Sons* (William Esty)

**Laramie**, Tue. 7:30-8:30 p.m.; **Outlaws**, Thu. 7:30-8:30 p.m., part. eff. Jan.  
*Pepsi Cola* (BBDO)

**The Outlaws**, Thu. 7:30-8:30 p.m., part. eff. late Dec.  
*Bristol-Myers* (Ogilvy, Benson & Mather)

**Riverboat**, Mon. 7:30-8:30 p.m., part. eff. immediately.  
*Warner-Lambert Pharmaceutical* (Lambert & Feasley)

**Senior Bowl Game**, Sat. Jan. 7, participations  
*B. F. Goodrich* (BBDO)  
*American Tobacco* (Sullivan, Stauffer, Collwell & Bayles)  
*Ebonite* (John C. Dowd)  
*Colgate-Palmolive* (Ted Bates)  
*Schick Safety Razor* (Compton)  
*Whitehall Laboratories* (Ted Bates)

**Daytime Programming**, part. eff. Dec. 21 and Jan. 1 resp.  
*Cracker Jack* (Leo Burnett)  
*Mentholatum* (J. Walter Thompson)

**National Football League Championship Game**, Mon. Dec. 26, part.  
*Philip Morris* (Leo Burnett)

**Astaire Time**, Mon. Feb. 20, 8:30-9:30 p.m., full spon.  
*Chrysler* (Leo Burnett)

New Central-African Bureau will be opened by CBS News as part of a general expansion & re-alignment, says CBS vp John F. Day. The new African news post will be in Nairobi, Kenya and will be headed, shortly after Jan. 1, by CBS News correspondent Blaine Littell, now stationed in N.Y. Serving with him will be cameraman Jean Reitberger, now stationed in Paris. In other CBS News shuffles: Correspondent Richard Kallsen, currently assigned to Havana, will transfer to the Paris bureau. Lou Cioffi, now in Paris, will join CBS's Washington bureau. George Herman will become CBS News White House correspondent. Malcolm R. Johnson will be Washington editor-in-chief, a new post. And Daniel Bloom, producer of *The World Tonight*, has been named to the newly-created N.Y. position of managing editor, radio news.

## Programming

**NO APPEAL FROM BLOCK-BOOKING DECISION:** Feature-film distributors won't appeal the Dec. 2 decision by N.Y. Federal Judge Archie O. Dawson that TV sales of features in you-must-buy-all blocks are illegal.

The general feeling of most film companies, who are now feeding pictures slowly into the market in small packages, with each picture individually priced (Vol. 16:49 p6), is that the decision is largely academic. Strengthening this thinking was the denial by Judge Dawson of a govt. motion to make feature-film contracts negotiable on a retroactive basis. On the subject of post-1948s, Judge Dawson ruled that defendants in the trial be restrained from following "certain of the procedures which they followed with reference to the pre-1948 films, and which are found in this opinion to be violations of the anti-trust laws."

The trial windup marked the end of a long legal trail (Vol. 16:9 p12 et seq.) in which the govt. had charged 6 leading distributors with refusing to license pre-1948 pictures on an individual film & station basis: Loew's Inc. (now MGM), C&C Super Corp. (now TV Industries), Screen Gems, Associated Artists Productions (now absorbed in UAA), National Telefilm Associates and United Artists. The defendants, Judge Dawson held, had violated Sec. 1 of the Sherman Act.

There'll be no punitive action taken against the defendants as a result of the "guilty" judgment. It is primarily a cease-&-desist ruling. Judge Dawson denied the govt. the application of Sec. 5 of the anti-trust laws, under which the Court's decree would have applied as a presumption of guilt in a civil triple-damages action. Also, by denying the govt.'s move to make TV station contracts renegotiable, Judge Dawson saved the defendants from possible financial losses that might occur (plus a probable mountain of paperwork) if contracts had to be worked out all over again on a price-per-picture basis.

What the ruling does mean to station management & film buyers is that distributors—most of which have long since dropped the practice, anyway—can no longer insist on "block deals" whereby stations must buy several bottom-of-the-barrel features in order to obtain a few choice features. Now, picture-by-picture pricing will be mandatory, although there's nothing to prevent a station from buying a complete package group if it wants to.

AFTRA-SAG contract talks with networks and agency-advertiser representatives continued last week, following decision by both sides in the recent near-strike to work out a new talent pact (Vol. 16:49 p2). Although the contract isn't official (many details are still being discussed and the unions must ratify it in any case), it shapes up something like this according to N.Y. sources: (1) It will be a 3-year contract, in line with union demands. (2) SAG actors in commercials will now have pay scales & residuals raised to parity with AFTRA actors in taped commercials. (3) Commercial scales have been raised, largely due to AFTRA-SAG's proposed "unit system," so that the potential earning of performers in commercials has been raised about one-third. (4) There are improvements, from the talent point of view, in working conditions & rehearsal hours.

Corinthian stations will field their own team of local newsmen to cover the Inauguration and the first week of President-elect Kennedy's administration, on the pattern of their local coverage of the political conventions, which drew full sponsorship on all 5 Corinthian stations.

## Congress

**HOUSE TV COVERAGE SOUGHT:** Emboldened by President-elect Kennedy's tentative plan to open White House news conferences to live TV (Vol. 16:49 p3), NAB set out last week to break down another Washington barrier to TV & radio newsmen—House rules for committee hearings.

Meeting in Washington, NAB's Freedom of Information Committee headed by Frank P. Fogarty (Meredith Stations) urged that the House line up with the Senate by relaxing long-standing bans against cameras & microphones in hearing rooms.

The NAB group said it "deems House committee hearings to be fully as important & newsworthy as those hearings in the Senate which have been covered routinely for years by the broadcasting industry." It proposed that "this coverage would be handled on a 'pool' basis, where necessary because of space limitations, as is the present coverage of Senate committees and special & joint sessions of the 2 houses of Congress."

NAB will have to overcome formidable opposition before it crashes House gates, however. Speaker Rayburn (D-Tex.), a strict traditionalist in the conduct of House affairs, always has been adamant against any photographs or recordings while committees are in session.

Meanwhile, Kennedy's press secy. Pierre Salinger told the Women's National Press Club in Washington that the President-elect will make his decision on news conference formats before his inauguration Jan. 20.

Salinger reiterated that there's "a possibility" that live broadcasts of conferences will be okayed—perhaps every 5 or 6 weeks, scheduled for 6 or 7 p.m., but he emphasized again that the innovation still was in a "discussion stage," that "we want to look at all the recommendations & come up with a plan."

Asked at the Press Club meeting whether there will be a *Great Debate* series on TV again in 1964, Kennedy's press aide said the question "will have to be studied" at the White House.

NAB's TV vp Charles H. Tower told the Washington Kiwanis Club 3 days later, however, that neither the White House nor the networks will decide whether Presidential candidates will appear together on TV during the next campaign. Scoring talk by Kennedy advisors that an incumbent president shouldn't "condescend to debate with a mere candidate," Tower said: "the decision will rest, as indeed it should, with the American people."

Tower was supported by another resolution adopted by the NAB Freedom of Information Committee. It said that during the 1960 campaign, the broadcasting industry had fully demonstrated the ability of TV & radio to handle politics without the equal-time restrictions of the Communications Act. The next step in Congress, the Committee said, should be outright repeal of Sec. 315.

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Better men are needed in federal regulatory agencies, Chmn. Carroll (D-Colo.) of the Senate Judiciary Administrative Practice & Procedure Subcommittee reiterated last week. Appearing on CBS Radio's *Capital Cloakroom*, Carroll said this conclusion was buttressed by testimony at his hearings on perennial problems of govt. commissions & boards (Vol. 16:49 p2). The need for higher-caliber personnel in the agencies had been stressed at the hearings by President-elect Kennedy's expert James M. Landis, whose pre-inauguration report is due Dec. 15.

Equal-time "watchdog" hearings may be held some time after Christmas, chief counsel Creekmore Fath of the Senate Commerce Freedom of Communications Subcommittee told us last week. He said a decision will be made by the 3-man Subcommittee following the scheduled return Dec. 20 of Sen. McGee (D-Wyo.) from an inspection trip to the Congo. Meanwhile, Fath & Chmn. Yarborough (D-Tex.), who since the election had been unable to get together with McGee and the 3rd Subcommittee member—Sen. Scott (R-Pa.)—dug through piles of Sec. 315 complaints reported by TV & radio stations (Vol. 16:47 p11). The Subcommittee's formal report to the Senate on how broadcasters conducted themselves politically during the campaign is due by Jan. 30. A separate report from FCC on the same subject, based on station replies to Sec. 315 questionnaires due Dec. 5 (Vol. 16:49 p6), will be submitted to Senate & House Commerce Committees by March 1. As the deadline for replies passed, some stations still were unheard from, and others hadn't filled out questionnaires adequately, we were told at FCC. Commission letters to laggards, warning them to respond, will be mailed this week.

Election contest between Rep. Moulder (D-Mo.) of the Commerce Committee and Baptist minister Robert Bartel, who apparently lost by a slim margin of absentee ballots (Vol. 16:47 p6), may be carried to the House itself. Republican Bartel said he'll file a formal protest with the House if Mo. Secy. of State Robert Crawford accepts the absentee votes & certifies the election of Moulder, who was the first Legislative Oversight Subcommittee chairman.

Iron Curtain breakthrough has been achieved by the Voice of America in 2 programs broadcast by Radio Moscow under terms of the U.S.-USSR cultural exchange agreement. USIA reported that Soviet listeners heard a taped concert by the Yale U. Russian Chorus Nov. 26 and descriptions of displays at Washington's National Gallery & Smithsonian Institution Dec. 2. Other VOA tapes in Soviet hands: a performance of "My Fair Lady," a narrative of a Washington-N.Y. automobile trip.

## Technology

TV satellite sweepstakes' latest entry is Hughes Aircraft Co. At an American Rocket Society meeting in Washington last week, that company's engineers demonstrated a small unit—about the size of a hatbox—which they said could do the job for about \$15 million, including launching, further development, ground installations, etc. The device is designed to hover over the equator at about 22,000 miles. Hughes doesn't plan to finance the project; it is seeking backing of govt. or commercial interests. Meanwhile, Bell Telephone Labs' Dr. John R. Pierce predicted that a TV satellite will be orbited in 2 years. Reviewing research that led to AT&T's application to FCC to be first in space with an industry owned-&-operated system (Vol. 16:43 p1), Pierce told the Chicago Economic Club that many problems are unsolved yet. Among them: radiation interference, frequency assignments, ownership of facilities. But he was confident his 2-year deadline would be met.

## Foreign

TV came to Southern Rhodesia last month, featuring mainly U.S. film shows. The first African TV station south of the Equator is owned by the govt.'s Federal Bestg. Corp., with programming supplied by privately-owned Rhodesia TV Ltd., which sells spot announcements only.

## Film & Tape

**NEW TAX RULE IRKS TV FILMERS:** A new Internal Revenue Service ruling, issued in order to clarify the controversial method of taxation on TV films (Vol. 16:49 p10), has met a variety of reactions in Hollywood, ranging from indignation to apathy.

TV-film executives we checked want a cost-recovery method, whereby a producer is not taxed if he spends all of his budget on production and shows no profit. However, IRS has been allowing the producer to write off only 60-90% of his production costs, depending on an estimated projected income of the series.

The new IRS ruling bars cost-recovery and formally adopts the controversial method which it terms "income forecast." An IRS spokesman in Hollywood explained the new ruling to us in this way: "We are now clarifying what has formerly been a clouded area—the application of Tax Code Section 167 with respect to TV films. We have gone on record as saying cost-recovery is not an acceptable method, and flow-of-revenue is a more acceptable method. Now the industry knows where we stand. We base our estimate on the producer's judgment as to his potential income; we don't substitute our judgment—unless the producer's estimate is not in conformity with the facts."

But TV executives did not share this optimism. One top executive told us that in his opinion the new rule hadn't changed a thing—it was just a continuation of IRS policy.

A producer-owner of a series said: "It would seem to me to be an eminently unfair ruling & an arbitrary decision. Who can say what the potential worth of a series is?"

Ozzie Nelson, producer-owner-star of the *Adventures of Ozzie and Harriet* (on ABC-TV), who is currently appealing a tax claim of \$1.1 million, told us he didn't think the new ruling applied to his situation: "I think this ruling is not applicable to us. No matter what their rule states, it's still a guess as to potential income of a series. The rule might apply to large organizations which have yardsticks to go by, but not to us. I don't think we will ever syndicate our films. I think the ruling is grossly unfair & unjust. I don't think the companies affected by it will hold still for it—but, of course, that's up to them. It will not affect our appeal."

Producer Jack Chertok who, with Ann Sothern, is contesting a tax claim on their series, *Private Secretary*, told us he preferred to withhold comment until he'd had a chance to study the ruling thoroughly.

IRS's rule states that "after an extensive study & consideration of the matter, the Service has concluded that the so-called 'income forecast' method is readily adaptable in computing depreciation of the cost of TV films without producing any serious distortion of income . . . If in subsequent years it is found that the income forecast was substantially overestimated or underestimated by reason of circumstances occurring in such subsequent years, an adjustment of the income forecast for such subsequent years may be made . . . The total forecast or estimated income to be derived from the films should be based on the conditions known to exist at the end of the period for which the return is made." Rule applies to tape & film shows.

William Talman is returning to his role as district attorney in CBS-TV's *Perry Mason*, after having been dropped from the cast when he was arrested last April in a vice raid. He was acquitted at the subsequent trial.

**EXTRAS SIGN COMMERCIALS PACT:** A contract covering extra players in TV commercials has been negotiated by the N.Y. Film Producers Assn., Screen Extras Guild and Screen Actors Guild. Extra players who demonstrate or illustrate products are for the first time given special rates as well as additional re-use payments.

The deal establishes a new classification of extra player, known as "product extra player," with a minimum of \$55 a day retroactive to last Nov. 16 and rising to \$70.83 on July 1, 1962. Original payment to the extra is for only 13 weeks' use of the commercial, unless he is paid an additional 75% for unlimited use when first employed. Otherwise, for use after 13 weeks, the extra will be paid an additional 100% of his total original compensation.

On & after July 1, 1962, all extra players working on TV commercials will come under the same plan of additional percentage payments for re-use after 13 weeks as the product extra player. Rates for these other extras will be identical with those in the contract signed in Hollywood between SEG, Assn. of Motion Picture Producers and the Alliance of TV Film Producers.

The N.Y. extra players contract calls for a contribution by the N.Y. producers of an amount equal to 5% of all extra players' earnings for pension, and health & welfare plans, beginning Nov. 16, 1960. The contract runs to June 30, 1964, with reopening rights on TV commercials in 1963. In addition to FPA, the networks and ad agencies participated in the negotiations.

The Hollywood contract between SEG, AMPP, and the Alliance provides that the terms of the N.Y. extra players agreement covering rates & conditions for TV commercials shall be incorporated in the Hollywood agreement. SAG represents extra players in the N.Y. area, SEG represents them elsewhere.

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**How to Save Money on Pilots:** Hollywood's device to avoid the heavy expenditure of pilot-making (average half-hour cost: \$75,000) is the so-called "presentation film."

Revue Studios first devised the method 3 years ago in selling the Ray Milland *Markham* series, using a 10-min. film. Now the studio has revived the idea with 20-min. films for *The Rangers* (Jock Mahoney), a Mickey Rooney series, and *Tom Sawyer* (Maureen O'Sullivan & Chuck Herbert).

Usually the films are made in a single day at a cost of about \$8,000. *Sawyer*, however, required 3 days of filming & a budget of about \$25,000.

Executives contend that the presentation film has other advantages over pilots beside the obvious one of economy. A presentation can explain all angles of a series and therefore be a more comprehensive sampling than a pilot. In the film, the star of the series usually makes the sales pitch, and the footage sometimes includes a sequence or two of the contemplated series. In the Rooney film, clips from a *Wagon Train* in which he guested were inserted to demonstrate his versatility.

Several scripts are usually presented to potential buyers along with the film.

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Writers Guild of America West TV branch has elected 3 board members to fill posts vacated by its recent recall election (Vol. 16:44 p8): Maurice Tombregel, Doris Gilbert and Martin Wark. WGAW sent a delegation to N.Y. to meet last weekend (Dec. 10-11) with WGA East for its national council session.

## HOLLYWOOD ROUNDUP

Four Star Television's 60-min. anthology series, *The Dick Powell Theater*, for NBC-TV next season, means the end of the 5-year-old *Dick Powell's Zane Grey Theater* on CBS-TV. So we're informed by Powell, who will host the NBC-TV show. The deal is for 39 first-runs & 13 repeats. Powell has asked for & received his release from his producer-director contract at 20th-Fox because of his chores as pres. of Four Star. But he will produce & direct a 20th-Fox movie in 1962, another in 1963. Powell leaves soon for Europe to meet Four Star partner Charles Boyer & examine production facilities on the Continent.

"Dodge City Syndrome" is the clinical tag put by the American Medical Assn. on a recurring type of TV Western-inspired injuries—gunshot wounds of the feet & legs. An editorial in the *AMA's Journal* says that the typical patient is "a young man in his late teens or early twenties" who shoots himself while trying to outdraw Matt Dillon & other TV heroes. It's a major medical problem, the editorial complains: "What happens is that the patient-to-be is too slow on the draw and too fast with his trigger finger, so that he fires the weapon before it is disengaged from the holster, and while it's still pointed down at his foot." The editorial reported that "numerous gun clubs have sprouted across the land," dedicated solely to practice of the fast draw.

Twentieth Century-Fox TV and the production team of Rod Amateau & Max Shulman (*The Many Loves of Dobie Gillis*) have parted company for future properties. Amateau, who will produce the team's next pilot, *Daddy-O*, told us the split was due to the studio's demand to be its own sales agent; he doesn't think it can do the job. William Morris formerly was 20th's sales agent. CBS Films is financing the pilot, which goes into production Dec. 27 at General Service studio. GAC is sales representative.

Filmaster Inc. has filmed three 5-min. episodes in a new series, *Nightside*, based on a radio property originally heard on KMPC Los Angeles. Donn Reed is reporter-commentator on the series, produced by Fritz Goodwin. The firm plans to film 260 episodes.

Ziv-UA released Keith Larsen from his skin-diving *Aquonauts* contract last week. A World War II-incurred head injury, "aggravated by constant exposure to water pressure," caused Larsen's physician to advise the move.

Pay-TV technical transmission tests in Los Angeles, by International Telemeter, were authorized by FCC last week. Operation of a low-powered transmitter will be permitted on Ch. 5 between 1:30 & 8 a.m., when KTLA is off air. No public participation is permitted.

Four Star Television has signed Robert Claver as associate producer of its *Michael Shayne* series.

CBS o&o KNXT Los Angeles is moving to the east wing of its Columbia Square bldg. at 6121 Sunset Blvd. from 1313 N. Vine. Programming begins from new hq Dec. 31.

## Obituary

Marion Parsonnet, 54, TV producer & writer, died of a heart attack in Hollywood Dec. 7.

## NEW YORK ROUNDUP

Four-nation co-production series is planned by Intertel (International TV Federation), marking what the new organization calls a "breakthrough in the dissemination of ideas & cultural exchange through global TV." Intertel has 5 participants, representing 4 countries: Associated Rediffusion Ltd. (Britain), Australian Bestg. Commission (Australia), CBC (Canada), Westinghouse Bestg. Co. and National ETV-Radio Center. First Intertel project is a 60-min. monthly documentary series on international public-affairs topics. Objective view rather than national chauvinism, is being sought; the U.S. team will film a show on Africa, the Canadians will profile Castro's Cuba, the Australians will examine U.S.-Canadian relationships, etc. Initial capital of \$500,000 for the project has been budgeted by the participants. Said WBC Pres. Donald H. McGannon: "This is the first practical step, after years of talking & hoping." In the U.S. & Britain, the Intertel series will be available for commercially sponsored TV; in Australia & Canada, it will be televised on a public-service basis.

NBC-TV's new production of "Peter Pan" flew right through the rating roof Dec. 8, attracting what NBC hailed as "the greatest audience for any TV entertainment presentation on a single network in TV's history." A special National Arbitron, produced on an overnight basis, showed the following scorecard: Homes, 24,300,000 (nearly half of all TV homes). Average Audience level, 39.8. Audience Share during the average minute of the show, 59.3%. Sets-in-Use level, normally about 54.5% for the show's time period, 7:30-9:30, reached a whopping 65.0%. National Nielsen AA level is unofficially predicted to come in at between 54.0 and 55.0—tops for the season.

Fremantle International, specialist in foreign tele-film syndication, sold 6 shows in Brazil & Argentina during November. Sterling TV's off-network *Silents Please* was bought in 7 Brazilian cities. Other sales included Portuguese- & Spanish-dubbed *Felix The Cat & Cartoon Classics* . . . Another south-of-the-border venture is being made by WNEW-TV's Fred Scott, host of *Felix & Friends*. He left last week on a good-will tour to distribute toys to underprivileged children in Panama, Ecuador & Peru.

ITC has announced "biggest November sales" in its history. *Ramar of the Jungle* and *Jeff's Collie* were renewed in 6 markets this month, including WNAC-TV Boston, WTVI Ft. Pierce, Fla., KBLR-TV Goodland, Kan. *Best of the Post* led ITC Nov. sales with 18 new markets, bringing the total to 149. New markets include: WABC-TV N.Y., WBAL-TV Baltimore, WTAR-TV Norfolk. Nine other ITC shows sold in a total of 27 markets.

CBS Films has licensed literary rights to 2 public-affairs specials in the *Tomorrow* series to publisher J. B. Lippincott Co. Authors John Pfeiffer and John Ely Burchard have been commissioned to write hard-cover, illustrated books to be published in 1961, based on "The Thinking Machine" (about the TX-O digital computer) and "Big City—1980" (which deals with the uncertain future of man's population centers).

People: William McGee has been appointed ITC western div. sales mgr. . . Francis M. Winikus has been named UA special asst. to vp Arnold M. Picker to supervise European advertising & publicity . . . Albert G. Hartigan has been named ABC Films eastern div. mgr.

## Auxiliary Services

**CATV LEGISLATION:** "Non-duplication" seems to be the watchword in suggested CATV legislation. It's the prime tenet of FCC's probable recommendations to Congress (Vol. 16:49 p3), and it's understood NAB's CATV Committee, meeting in Washington last week, stressed the same element.

FCC hasn't finalized its recommendations yet, but there seems to be little doubt that the 2 important features will be: Non-duplication, ordered by the Commission when necessary; CATVs to carry local-station signals. It's understood that NAB's thinking is the same—and that it is not proposing that CATVs be required to get rebroadcast permission from stations whose signals they carry.

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Closed-circuit TV "diorama" made its debut in N.Y.'s Grand Central Station Dec. 8, utilizing a 30-in. direct-view tube installation designed by Thompson Ramo Wooldridge for the newly-formed Billboard TV Corp. Designed to catch the eyes of 400,000 daily commuters, the TV channel ("BBTV-Channel 1," according to the firm's Pres., Jules Baker) will feature newsfilm & reportage from UPI. Present operating schedule of the closed-circuit system, which Baker hopes to expand to other N.Y. railroad & bus terminals, will be 8 a.m.-to-midnight and may ultimately expand to a 24-hour service. Baker hopes to sell commercial spot sponsorship in the system, and, if closed-circuit advertisers want "permanent identification with the project," BBTV will—for a price—decorate the sign with a sponsor's logo or emblem.

Vhf TV translator transmitters are now being offered by Industrial Television, 7270 Beverly Blvd., Los Angeles 26. The firm announces that it is now offering a complete service for potential translator operators "from the initial survey & filing of FCC forms to the complete installation." Through use of translators, Industrial Television says, high-quality multiple-channel TV can be provided in any medium-size community for an average cost of \$10 per year per person. It claims to have installed more than 70 translator stations and over 40 microwave systems. The company also announced a new line of broadband TV microwave equipment, including a complete portable system for \$5,130, including antennas.

Dynair Electronics Inc., San Diego, Cal., has developed a video line-driving amplifier capable of sending a high-resolution, 600-line TV picture-signal through 5,000 feet of RG 11/U coaxial cable or longer distances when lower-loss cables are used. Pres. E. G. Gramman said the amplifier will extend the usefulness of industrial & closed-circuit TV by extending the distance between cameras & monitors, and stations will find it useful, particularly for remotes.

H&B American Corp., Los Angeles, which recently bought Jerrold's 9 CATV systems (Vol. 16:48 p2), is now negotiating for the purchase of several more, according to Pres. David E. Bright. "We may build some, too," he said. He also reported the resignation of Charles L. Glett, pres. of CATV subsidiary Transcontinent Communications Systems. Bright will assume its presidency & chairmanship.

Translator starts: K75AT Leadville, Colo. began Nov. 22 with KBTW Denver • K77AV Palm Springs, Cal. started Nov. 29 with XETV Tijuana-San Diego • K80AV Pagosa Springs, Colo. started tests Dec. 5 with KOAT-TV Albuquerque.

## The FCC

**Multiple Ownership Proposal:** Rule of FCC would be amended, under proposed rule-making started last week, to ease restrictions on minor, non-influential stockholders. As anticipated (Vol. 16:49 p5), the Commission proposed not to count, in figuring maximum holdings (ceilings are 5 vhf, 2 uhf, 7 AM, 7 FM), holdings of 5% or less—if the holder is neither an officer nor director nor otherwise exercises control of a corporation with 50 or fewer stockholders. Under present rules, any percentage held means just as much as 100% in corporations with 50 or fewer stockholders. In companies with more than 50, a stockholder is ignored if he has less than 1%. In any event, the Commission said: "In the case of both the widely-held & closely-held corporation, any stockholder, no matter how small his holding, will be regarded as having an 'interest' if in fact he controls or has a substantial voice in the control or management of the corporation or its affairs." Comrs. Ford, Hyde & Bartley dissented. Though they issued no statements, their past attitudes indicate that they believe the current proposal is an unwarranted relaxation. Comments are due Jan. 9.

The language of the proposed new rule is as follows: "A person who is not an officer or director of a corporation shall not be deemed to have an interest in or to be a stockholder of that corporation unless he: (1) directly or indirectly owns 1% or more of the outstanding voting stock thereof if the corporation has more than 50 holders of voting stock; or (2) directly or indirectly owns 5% or more of the outstanding voting stock if the corporation has 50 or fewer holders of voting stock; or (3) owns any of the stock of the corporation whatsoever and in fact controls or has a substantial voice in the control or management of the corporation or its affairs."

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Duopoly difficulties which held up FCC renewals of licenses of KING-TV & KING and KIRO-TV & KIRO Seattle (Vol. 16:30 p9) have been resolved. The Commission voted the renewals following assurances that the Pacific National Bank of Seattle, of which KING-TV Pres. Mrs. A. Scott Bullitt is a dir. & stockholder, will dispose of its interest in KIRO-TV. The stations were given 90-day deadlines to advise FCC that the condition has been met. Comrs. Lee, Craven and King objected to the condition, however. Said Craven (Lee concurring): "No cross-interests can possibly arise" because Mrs. Bullitt is forbidden by law to vote on any questions involving KIRO-TV anyway. Said King: "Nothing less than bureaucratic tyranny." The fact Mrs. Bullitt is a dir. of the bank doesn't mean—by any "stretch of imagination"—that KING-TV operates or controls KIRO-TV directly or indirectly, he said.

Outer space frequencies should be assigned at once by FCC, American Rocket Society gen. counsel Andrew G. Haley said in a court appeal from the Commission's opinion that such allocations aren't needed now. Asking the Court of Appeals for reviews of FCC's Docket 11866 (890 mc & above) proceedings (Vol. 16:29 p4 et seq.), Haley contended that "the very nature of worldwide TV & radio requirements" makes quick assignments necessary. He argued that it's "basically unsound" for FCC to look for a shared-frequency system to take care of space needs. "If exclusive channels are not made available, it is obvious that interference from other countries will destroy the very possibility of affording worldwide broadcasting & communications," Haley said.

FCC's programming report of July 29, re-emphasizing responsibilities of broadcasters to meet needs of their communities (Vol. 16:31 p1), has been commended by the American Civil Liberties Union. In a letter to FCC Chmn. Ford, ACLU exec. dir. Patrick Murphy Malin said the report will "make for the better-balanced, more widely-diversified programming to which the ACLU holds the people are entitled under both the First Amendment and the [Communications] Act itself." Malin said FCC's insistence that stations consult with local community leaders "makes excellent sense." He conceded that it will "make life more complicated for the station owner & his staff," but told Ford that FCC should disregard any protests by broadcasters that the policy amounts to "unconscionable interference" with management's right to run its own business. Malin also called for strengthening of FCC's new Complaints & Compliance Div. "It is to be hoped that the next Congress will adequately support the FCC under its present revitalized leadership," he wrote Ford.

AT&T's petition for space-satellite frequencies, including opportunity to handle transatlantic TV (Vol. 16:43 p1), met strong opposition from other services using the microwave spectrum AT&T wants to share. Among the opponents are Central Committee on Communication Facilities of the American Petroleum Institute, National Committee for Utilities Radio, EIA Microwave Section, Aeronautical Radio Inc., Assn. of American Railroads, Motorola. Generally, they argue that AT&T can use presently allocated common carrier frequencies (5925-6425 mc) instead of the 6425-6925 mc sought. They say the AT&T petition is premature in light of FCC's long-range rule-making on space allocations and upcoming international conferences on the matter. They assert that sharing with terrestrial microwave would be extremely difficult to coordinate.

Fuller explanation of the new AP-UPI Conelrad alert system, using Teletype networks instead of telephone relays, has been issued by FCC. In answer to queries from stations (such as prompted a since-withdrawn protest by the Ida. Bcstrs. Assn.—Vol. 16:49 p5), the Commission stressed: (1) "It is not contemplated that a broadcast or TV station licensee will be required to subscribe to one of the radio-press serives. The vast majority of all broadcast station licensees are already subscribers . . ." (2) "It is contemplated that every broadcast licensee will continue to radio monitor another broadcast station, particularly a Skywave Key station." FCC said "full & complete details & instructions" will be sent all stations soon.

First protest by CATV against vhf repeater grants was registered with FCC last week. Aztec Community TV, operator of systems in Aztec & Blanco, N.M., complained to the Commission of interference caused by boosters operated by Bloomfield Non-Profit TV Assn. in Bloomfield, N.M. Aztec noted that Bloomfield's transmitting antenna is within a few hundred yards of Aztec's receiving antenna, and causes "intolerable" co-channel interference which can destroy Aztec's service. Aztec also said that Bloomfield didn't comply with FCC's rules, having built boosters since the Commission's July 7 cut-off date.

Uhf translator CPs granted: Ch. 78, Gallup, N.M., to TV for Gallup Assn.; Ch. 76, Truth or Consequences, N.M., to city of Truth or Consequences.

Uhf stronghold Harrisburg, Pa. will be host to FCC uhf sparkplug Comr. Robert E. Lee, who will speak at a Kiwanis Club meeting there Dec. 29.

KWK St. Louis revocation hearing will probably start in St. Louis Jan. 18, FCC examiner Forest L. McClenning indicated at a pre-hearing conference last week. KWK has pending before the Commission a petition demanding a bill of particulars spelling out all the whos & whats of contest-fraud allegations (Vol. 16:45 p2 et seq.) and the Commission's Broadcast Bureau has opposed it, stating that FCC never opens its investigatory files in such proceedings. McClenning said that the hearing's start will be delayed beyond Jan. 18 if the Commission doesn't rule on KWK's petition by Jan. 6.

Reaffirmation of grant of Biloxi Ch. 13 to CP-holder WVMI-TV (Radio Associates Inc.) has been recommended to FCC in a supplemental initial decision by hearing examiner H. Gifford Irion. Commission's 1957 award had been challenged in the Court of Appeals by contestant WLOX Biloxi, which questioned oral terms & conditions of an agreement by hotelman Edward Ball to lend \$300,000 to WVMI-TV. After hearing the case again on remand from the Court, Irion said he found no evidence "to indicate that Bell's role as a principal of Radio Associates" discredited WVMI-TV.

FCC's financial form revision, seeking more details from stations (Vol. 16:49 p11), drew objections from 3 more stations last week. Radio WCTC New Brunswick, N.J., WESO Southbridge, Mass & KCFS Midland, Tex. told the Commission that the additional data sought is not needed by the FCC and that it imposes an unnecessary burden on licensees.

FCC Chmn. Ford will address the luncheon session of the NCTA Eastern Regional Management Seminar at Washington's Statler Hotel Jan. 9. Other speakers on the occasion: Herbert Jacobs, pres. of TV Stations Inc. (film buyers); new NCTA Pres. William Dalton; NCTA counsel E. Stratford Smith; NCTA Chmn. Sandford F. Randolph; Hamilton Shea, pres. of WSVA-TV Harrisonburg, Va.

Trusteeship for Ch. 5 Boston, sought by Greater Boston TV Corp., has been rejected by FCC. FCC has decided to take the channel away from WHDH-TV, but the Court of Appeals is reviewing the Commission decision and has held it in abeyance pending review (Vol. 16:29 p1 et seq.).

With Fresno going all-uhf—KFRE-TV shifting from Ch. 12—a 4th station is now in prospect after last week's grant of Ch. 53 to B. L. Golden, E. H. Dean & L. W. Fawns.

Transfer of control of WDAM-TV Laurel-Hattiesburg, Miss. (Vol. 16:49 p11) has been approved by FCC.

## Educational Television

TV assault on illiteracy in the tri-state broadcast range of WFIL-TV Philadelphia will be launched next month with the backing of major civic groups: Board of Education, Greater Philadelphia Council of Churches, Junior Chamber of Commerce, Philadelphia Foundation, others. Beginning Jan. 30, and continuing for 20 weeks, WFIL-TV will telecast reading & writing lessons 5 mornings a week, 6:30-7 a.m. Instructor: Board of Education TV-radio staffer Alex Shevlin. Goal: to reach & teach 200,000 of an estimated 800,000 illiterates who live within a 70-mile radius of the city, in Pa., N.J., Del. • Educational WGTV Athens, Ga. is telecasting reading & writing lessons 3 nights weekly; some 550 adults in 17 counties have enrolled for supervised sessions of the TV course in their communities.

## Stations

**Canada-U.S. Satellites:** Canadian TV satellites of U.S. stations were approved for the first time last week by the Board of Broadcast Governors. BBG established a new class of station license—renewable until the areas are served by Canadian TV stations—which doesn't require the satellites to meet Canadian-content programming requirements.

Four satellites were approved—to repeat programs from 3 U.S. stations. The Board recommended these grants: (1) To Horace M. Card for Ch. 4 & Ch. 5, to repeat programs of KXLY-TV Spokane from Saddle Mt. & Mt. Sentinel, British Columbia. (2) To Sioux Lookout, (Ont.) Chamber of Commerce, Ch. 9 & 7, to repeat WDSM-TV Superior, Wis. from Sioux Lookout, and KDAL-TV Duluth from Hudson, Ont.

BBG also approved French-language CBC-TV satellites at Mont Tremblant & Mont Laurier, Que., and these privately-owned satellites, to be licensed to their mother stations: To CHCA-TV Red Deer for Banff & Coronation, Alta.; to CHBC-TV Kelowna for Keremeos, B.C.; to CHAT-TV Medicine Hat for Pivot, Alta.; to CKBI-TV Prince Albert for North Battleford, Sask., to CKRS-TV Jonquiere for Roberval & Chicoutimi, Que.

Grant for a new TV station was made to radio CJFP for Ch. 7, Riviere du Loup, Que., conditioned on its reaching agreement with CBC-TV for network service. Application by Northwest Bestg. Co. for TV station at North Battleford was rejected in favor of the satellite granted there to CKBI-TV Prince Albert.

Power increases were approved for CHCA-TV Red Deer, Alta.; CKMI-TV & CFCM-TV Quebec (Vol. 16:47 p12). CFPL-TV London, Ont. was given permission to increase antenna height to 1075 ft.

BBG also approved the sale of CJSS-TV Cornwall, Ont. (Vol. 16:47 p12) to a group headed by Bushnell Bestg. Co. (CJOH-TV Ottawa) & Canadian Marconi Co. (CFCP-TV Montreal).

Anti-trust suit for \$1 million by radio WNDR Syracuse against Samuel I. Newhouse's newspapers & stations there, alleging that their "package" advertising deals damaged WNDR competitively, has been thrown out of court for the second time. Instructed by the Court of Appeals to reconsider an earlier ruling denying WNDR's claims against Newhouse's WSYR-TV & WSYR and *Post-Standard* and *Herald-Journal*, U.S. District Court Judge Stephen W. Brennan said he'd heard nothing to change his mind. In his first dismissal of the suit in 1955, Judge Brennan said: "It seems to me the plaintiff is not in direct competition with the 2 newspapers, and it seems apparent that the dissemination of news by a newspaper differs essentially from the news broadcasts of a radio station. Likewise, newspaper advertising differs from the advertising matters broadcast from a radio station."

**Add FTC consent orders:** Concord Distributing Co., Cleveland, and Prestige Records Inc., Bergenfield, N.J., have signed agreements with FTC forbidding them to distribute payola to anybody for broadcasting their records.

Unusual pre-hearing conference in the Miami Ch. 10 *ex parte* case has been ordered for 2 p.m. Dec. 12 by the Court of Appeals in Washington. Attorneys aren't sure what the Court has in mind—except the general idea of discussing issues and the schedule for filing of briefs.

**New Color Camera Shown:** Developmental 2-tube color camera which could be made at relatively low cost (Vol. 16:46 p8) was demonstrated last week to representatives of networks, stations, manufacturers & others. Consensus of observers was that it shows great promise, probably can be made to work well, needs more development.

The new live camera is the brainchild of Iowa State U. Prof. William Hughes, inveterate & highly respected developer of simplified color-film cameras, who next month takes over as head of Okla. State U. engineering dept. That there is interest in his system was shown by the fact that a large number of industry engineers—including representatives of the 3 networks, RCA, Telechrome & others—made the trek to Ames, Ia. in order to see the demonstration.

His camera uses 2 image orthicon tubes, as opposed to 3 used by current color cameras. One tube is used to pick up the luminance (black & white) component of the color picture, while the other sequentially (by use of revolving filters) picks up red & blue components. By a subtractive process (subtracting red plus blue from the luminance component), the 3rd primary color—green—is constructed.

Hughes's color camera functions at quite low light levels—30 to 50 foot-candles—and lends itself to a conversion kit to transform standard b&w cameras to color for about \$10,000.

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Complete low-cost TV station packages are now being offered by Electron Corp., the Dallas-based electronics subsidiary of Ling-Temco Corp. Using Ling and Altec equipment, the company says it can supply a complete low-power vhf or uhf station for as low as \$30,000, from engineering services to cameras, transmitter & antenna. The company's first such installation was KRET-TV (Ch. 23 educational—now on air) Richardson, Texas. Electron Corp. itself holds CPs for KCDA (Ch. 3) Douglas, Ariz., now under construction, and KGIN-TV (Ch. 11) Grand Island, Neb. (The latter's transfer to KOLN-TV Lincoln, Neb. pending FCC approval.) Electron has 8 other contracts to supply low-power stations: CP-holders KRNW-TV (Ch. 10) Roswell, and KFUR-TV (Ch. 11) Santa Fe, N.M.; KEFS-TV (Ch. 22) Fort Smith, Ark.; Prairie States Bestg. (Ch. 34) Salina, Kan.; Saunders Bestg. Co. (Ch. 13) Flagstaff, Ariz.; Nogales, Ariz. (Ch. 2); and applicants for Gallup, N.M., (Ch. 3) and Lamar, Colo. (Ch. 12). Transmitters offered by Electron: 100-watt uhf, 120-watt high-band vhf, 250-watt low-band vhf.

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Automatic logging equipment for radio stations will represent a \$10-to-15 million market for broadcast-equipment manufacturers, NAB engineering mgr. A. Prose Walker forecast recently at a Collins Radio broadcast sales meeting in Cedar Rapids, Ia. Walker predicted that NAB's proposal for use of automatic logging equipment will be approved by FCC.

Television Factbook, published semi-annually by TELEVISION DIGEST, released its new rate card (No. 5) last week, Dec. 5. The new rates are effective now for the forthcoming 1961 Spring-Summer edition of *Television Factbook* No. 32, which is scheduled for release April 15. All contract advertisers in the 1960 Fall-Winter edition will have rate protection under rate card No. 4 for the upcoming Spring-Summer *Factbook*. Copies of rate card No. 5 may be secured by writing our Business Office, Box 700, Radnor, Pa.

Radio KLAC Los Angeles has been sold by 100% owner Mort Hall to Westinghouse Bctg. Co. for \$4 million cash "subject to minor pro rata adjustments," according to the application for transfer filed with FCC last week. Announcement of the deal came Dec. 9 from Hall Bctg. Corp. Pres. Hall and WBC Pres. Donald H. McGannon. KLAC, a full-time independent, began transmission in 1928 and has been operated by HBC since Aug. 1956. Since Westinghouse is currently up to its limit of 7 radio outlets (in Boston, Baltimore, Pittsburgh, Chicago, Cleveland, Ft. Wayne and Portland, Ore.), one of its present outlets will have to be sold. WBC has also been eyeing the N.Y. market, and recently made a tentative offer to ABC (ultimately declined) to buy the network's radio o&o flagship, WABC N.Y.

Rep firm being established by Storer Bctg. Co. to handle national spot sales for the group's 5 TV stations has a target date of July 1 for opening its N.Y. & Chicago sales offices. Peter Storer, WSPD-TV Toledo managing dir., will head the as-yet-unnamed rep firm. Stations: WJBK-TV Detroit, WJW-TV Cleveland, WITI-TV Milwaukee, WAGA-TV Atlanta and WSPD-TV Toledo. Eventually, according to Stanton P. Kettler, exec. vp for operations, the new firm will handle non-Storer stations as well. In deciding to set up its own rep organization, Storer joins such groups as Westinghouse Bctg. Co. (TvAR and AM Radio Sales), CBS (CBS Spot Sales), and NBC (NBC Spot Sales). The 7 Storer radio stations will continue to be repped by the Katz Agency and John Blair. (See also p. 14 for Storer personnel changes.)

Radio KTHT Houston has been sold for \$1.5 million to Winston-Salem Bctg. Co. by the Texas Radio Corp. Winston-Salem also owns WTOB & off-air permittee WTOB-TV (Ch. 26) Winston-Salem, radio WSGN Birmingham & 50% of permittee WBMG (Ch. 42) there, 1/3 of WOLE-TV (Ch. 12) Aguadilla, P.R., and 55% of application for Ch. 8 Winston-Salem. Broker was Blackburn & Co.

Sale price of radio WMGM N.Y. was \$10,950,000, Loew's Theatres Chmn. Laurence A. Tisch told stockholders last week. Under terms of the sale, to Crowell-Collier Bctg. (Vol. 16:42 p10), which is subject to FCC approval, Loew's is to receive \$7,950,000 at closing and \$3 million within 18 months.

Sale canceled: Connie B. Gay's \$1.85 million contract for KFEQ-TV (Ch. 2) & KFEQ St. Joseph, Mo. and radio KLIK Jefferson City (Vol. 16:32) expired Nov. 3 and FCC has dismissed transfer application. The stations remain with the Jesse D. Fine family.

KTVI St. Louis took top honors in creativity with its rate card entry in the 3rd annual awards exhibition of the Art Directors Club of St. Louis.

FCC has approved sale of KDAL-TV & KDAL Duluth for \$3.3 million to Minnesota Bctg. Co., subsidiary of WGN Inc., Chicago (Vol. 16:34 p7).

Sale of KFSD-TV & KFSD San Diego to United Artists for a reported \$7 million (Vol. 16:44 p10) has fallen through—principals being unable to agree on terms.

KNOX-TV Grand Forks, N.D. has dropped NBC-TV to become a primary ABC-TV affiliate. Its network programs are repeated by KCND-TV Pembina, N.D., which serves the Winnipeg, Man. area (Vol. 16:47 p11).

Power boost: KELP-TV (Ch. 13) El Paso, Tex. boosted power to 209 kw Dec. 3, after moving to its new site on the south slope of Comanche Peak.

## Advertising

**SPOT RAN 4% AHEAD IN 3RD QUARTER:** TV-spot sales in 1960's 3rd quarter produced gross time billings of \$125,012,000 TvB noted last week in a report based on a 332-station checkup compiled with N. C. Rorabaugh. The sum—reflecting the new 4-part measuring system introduced by TvB with its 2nd-quarter report (Vol. 16:40 p10)—is down sharply from April-June's \$160.6-million pace. But, on the basis of the measuring system in effect a year ago, 3rd-quarter 1960 business ran 4% ahead of 3rd-quarter 1959.

The big spending for spot time (\$42,288,000 or 33.8% of the total) was poured into prime-night schedules. Other spot spending: day, \$34,689,000 (27.7%); late night, \$25,573,000 (20.5%); early evening, \$22,462,000 (18%).

Nearly three-fourths of the spot volume (73.6% or \$91,989,000) went for announcements. Programs accounted for 15.1% (\$18,926,000) of the 3rd-quarter total. IDs attracted 11.3% (\$14,097,000).

Food & grocery products, with total gross time billings of \$29,760,000, led all product classifications (TV & radio receivers accounted for only \$22,000 of total spot ads).

There were 9 newcomers to the list of top-100 spot spenders (see table below): Aerosol, 34th (\$691,700); Ball Bros., 92 (\$259,400); Jack LaLanne Co., 89 (\$264,300); St. Regis Paper, 98 (\$248,400); Sheaffer Pen, 69 (\$377,300); Simon & Schuster, 68 (\$381,000); Sunkist Growers, 57 (\$421,600); Tetley Tea, 95 (\$251,100); U.S. Time, 99 (\$248,200).

### 100 Largest TV-Spot Advertisers of 1960'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	\$14,428,600	51.	Minute Maid .....	459,200
2.	Lever Brothers .....	3,337,700	52.	Carnation .....	458,100
3.	General Foods .....	3,262,700	53.	Vic Tanny .....	449,800
4.	Lestoil Products .....	2,501,300	54.	American Chicle ..	448,500
5.	Colgate-Palmolive ..	2,428,600	55.	Atlantic Refining ..	443,700
6.	Wm. Wrigley Jr. ....	2,197,600	56.	Carter Products ..	434,300
7.	Amer. Home Prod. ....	2,096,700	57.	Sunkist Growers ..	421,600
8.	Brown & Williams'n	2,083,500	58.	Standard Oil (Cal.)	417,400
9.	P. Lorillard .....	2,060,800	59.	Armstrong Rubber	413,600
10.	Bristol-Myers .....	1,609,900	60.	General Electric ...	410,500
11.	Kellogg .....	1,609,700	61.	Ex-Lax .....	407,000
12.	Miles Labs .....	1,428,400	62.	P. Ballantine .....	398,700
13.	Nestle .....	1,409,800	63.	A&P .....	396,300
14.	Gillette .....	1,307,700	64.	United Merchants	390,800
15.	American Tobacco ..	1,265,100	65.	General Mills .....	387,300
16.	Food Mfrs. ....	1,177,500	66.	Phillips Petroleum	382,500
17.	Ford .....	1,155,200	67.	Hertz .....	381,800
18.	General Motors .....	1,074,400	68.	Simon & Schuster	381,000
19.	Wesson Oil .....	1,017,900	69.	Sheaffer Pen .....	377,300
20.	Coca-Cola .....	991,700	70.	Hills Bros. Coffee ..	375,800
21.	Standard Brands .....	908,400	71.	Swift & Co. ....	375,000
22.	J. A. Folger .....	877,900	72.	Piel Bros. ....	369,000
23.	Warner-Lambert ..	869,800	73.	Burgermeir' Brew.	368,500
24.	Philip Morris .....	842,400	74.	Sterling Drug .....	360,100
25.	Pabst Brewing .....	838,500	75.	B. C. Remedy .....	360,000
26.	Anheuser-Busch .....	779,100	76.	Safeway Stores .....	356,000
27.	Pepsi Cola .....	779,100	77.	International Shoe	344,400
28.	R. J. Reynolds .....	776,300	78.	United Vintners .....	324,400
29.	Avon Products .....	745,700	79.	General Motors .....	320,400
30.	Pillsbury .....	743,200	80.	Schmidt's & Sons .....	319,800
31.	Hamm Brewing .....	738,000	81.	Kroger .....	314,800
32.	Corn Products .....	713,600	82.	Miller Brewing .....	313,600
33.	Welch Grape Juice ..	703,600	83.	Parker Pen .....	312,900
34.	Aerosol .....	691,700	84.	Oscar Mayer .....	302,800
35.	Shell Oil .....	680,100	85.	B'ch-Nut Life Sav.	298,000
36.	Revlon .....	678,000	86.	Duncan Coffee .....	284,100
37.	Continental Baking ..	665,200	87.	Hudson Pulp .....	275,400
38.	Lanolin Plus .....	654,800	88.	Schaefer Brewing .....	267,800
39.	Associated Prod. ....	639,100	89.	Jack LaLanne .....	264,800
40.	Carling Brewing .....	619,400	90.	Jergens .....	263,800
41.	Norwich Pharmacal .....	585,900	91.	Pepperidge Farm .....	261,000
42.	Schlitz Brewing .....	563,900	92.	Ball Brothers .....	259,400
43.	Pacific Tel. & Tel. ....	550,200	93.	Drug Research .....	256,100
44.	Internat'l Latex .....	547,400	94.	M. J. B. ....	253,300
45.	Standard Oil (Ind.) .....	504,300	95.	Tetley Tea .....	251,100
46.	Chesb'rugh-Ponds .....	495,700	96.	Chrysler .....	249,900
47.	U.S. Borax .....	493,000	97.	Gallo Winery .....	248,900
48.	Falstaff Brewing .....	479,200	98.	St. Regis Paper .....	248,400
49.	Esso .....	465,300	99.	U. S. Time .....	248,200
50.	Pharma-Craft .....	463,700	100.	Plough .....	247,800

**Swan Song by Kintner:** FTC's aggressive Republican Chmn. Earl W. Kintner, who will be replaced when the Kennedy administration comes in, has some policy advice for his successor: (1) Recognize "the necessity for active govt. regulation." (2) "Focus on meaningful compliance with the laws." (3) Have "a regard for fairness."

In a speech prepared for the National Food Brokers Assn. convention in Chicago Dec. 10, Kintner said his 18 months in office had convinced him that "any official" must aim at these objectives if FTC is to do its job. He warned against policies leading only to "successful prosecution rather than meaningful compliance" or to "a willingness to allow business conduct to go unregulated." What's needed, Kintner said, is "vigorous enforcement & meaningful business education."

Shell is seeking big discounts from newspapers, now that the oil firm's agency—Ogilvy, Benson & Mather—is handling the account on a straight-fee basis and is switching the \$14-million Shell budget almost entirely to print media (Vol. 16:47 p 9). So reported *Printers' Ink* last week. It revealed that OBM media vp S. L. Frey had sent a letter to all leading newspaper publishers asking "cooperation" (i.e., volume discounts) with Shell. Frey specifically suggested discounts ranging from 10% for 7 columns or more running 26 times, to a 30% discount for the same campaign running 78 times. Shell will become what is probably the largest single-brand advertiser in newspapers, but only 11% of the more-than-300 newspapers Shell intends to use offer frequency or dollar-volume discounts such as those available in TV & other media. Hinting broadly, OBM also advised newspapers: "In 1962, we may decide to concentrate in TV or magazines." Shell's gross TV billings last year, largely in spot, were \$2,666,000.

**Ad People:** Thomas A. McAvity, former McCann-Erickson TV-radio programming vp & M-E Productions vp, joins J. Walter Thompson in new post as TV-radio programming vp . . . Vincent F. Aiello, ex-senior vp & creative planning dir. of MacManus, John & Adams, has joined the creative dept. of Geyer, Morey, Madden & Ballard . . . Paul Wason and Wayne Stuart-Bullock, Benton & Bowles creative supervisors, elected vps . . . H. R. Haldeman, on leave since Jan. 1 to work on Vice President Richard Nixon's campaign planning staff, rejoins J. Walter Thompson, as manager of Los Angeles office, succeeding Tom R. Cooper . . . John S. Williams, former senior vp & exec. committee chmn. of Cunningham & Walsh, has joined Foote, Cone & Belding N.Y., as vp & copy dir. . . . Colin H. John and William B. Everson named MacManus, John & Adams vps.

Guy Mercer moves up to plans board chmn., Needham, Louis and Brorby, succeeding newly elected Pres. Paul C. Harper; account supervisor Otis L. Hubbard Jr. elected vp . . . Bruce L. Newman, ex-McCann-Erickson vp, has joined Kudner as senior vp.

Advertising Research Foundation elections: President, ex-managing dir. Alcuin W. Lehman; chairman, CBS Radio Pres. Arthur Hull Hayes; vice-chmn., Sylvania marketing research dir. Frank W. Mansfield; treasurer, Dancer-Fitzgerald-Sample senior vp Lyndon O. Brown.

Jack Benoze elected Doherty, Clifford, Steers & Shenfield vp . . . Jack M. Bristow becomes manager of BBDO's Chicago office, succeeding Wayne Tiss who moves to Los Angeles office . . . C. Burt Oliver, Foote, Cone & Belding Canada vp-managing dir., named FC&B national bcst. mgr., with hq in N.Y.

Expansion of local Nielsen reporting is planned for 1961, the research firm announced last week. It will be reflected in the Nielsen Station Index and will include: (1) Measurement of all U.S. TV stations at least twice a year, a broadening of present Nielsen measurement of the 389 TV stations in multi-station markets. (2) Increased audience samples, chiefly to provide full audience composition data for marginal time periods. (3) More synchronization of local reports to allow for market comparisons by agencies. (4) Special "sales-area breakouts" available to major spot or network advertisers to allow for measurement of national-local, full-scale TV campaigns. (5) Canadian audiences of U.S. stations—and vice-versa—reported to give a fuller picture of audiences reached by border-area stations. In the past 90 days, 14 major ad agencies have become "full-package" NSI subscribers.

Network TV's top time buyer in 1960's 3rd quarter was Procter & Gamble, which spent \$10,350,190 vs. runner-up Lever Bros.' \$8,351,044. P&G also took top spending honors for September, reports TvB, with a \$3,353,609 investment. The leading brand advertised for July-Sept. was Westinghouse Institutional with \$2,737,368 in gross time billings. September's leader: Anacin tablets (\$876,168). Product classifications which scored major gains in Jan.-Sept. over 1959's first 3 quarters (Vol. 16:47 p8): apparel, footware & accessories, billings of \$5,871,727 vs. \$3,750,255 a year ago; automotive, automotive accessories & equipment, \$37,813,272 vs. \$32,447,836; gasoline, lubricants & other fuels, \$11,429,790 vs. \$5,969,769.

More daytime quiz shows are due on ABC-TV this season. On Jan. 9, a live N.Y.-originated package from Jerry Hammer Associates—*Camouflage*—will replace film reruns of *The Texan* in the 12-12:30 p.m. period, Mon.-Fri. Then, on Jan. 30, a new Goodson-Todman package, *Number, Please*, will replace *Beat The Clock* in the contiguous time period, 12:30-1 p.m. Quiz shows have staged a rating comeback (up 25.8% in AA level this season as against last) to recover some of the network popularity they lost in the quiz-scandal aftermath (Vol. 16:48 p11).

Toy advertisers will spend a record \$7 million in 1960, according to TvB. National & regional spot & network gross time billings were up 19.5% for the first 9 months of this year (\$2,708,130 against \$2,272,030 in the like period of 1959). The leading advertiser was Mattel, with network spot billings of \$970,230, followed by Colorforms (\$267,700) and General Toy (\$224,550). Toy sales are also hitting new highs, rising to more than \$1.7 billion (vs. \$1.65 billion last year), reported TvB.

Almost \$182 million of air time & space was contributed last year to the Advertising Council's campaigns by the country's communications services, vice-chmn. Edwin Ebel said at the Council's annual Hollywood luncheon, attended by 300 industry & media leaders. Ebel is also chmn. of the Council's national TV-radio committee. Pledges of continued cooperation were given by James T. Aubrey Jr., pres., CBS-TV; Oliver Treyz, pres., ABC-TV; and Walter Scott, NBC-TV exec. vp.

New reps: KBAK-TV Bakersfield, Cal. to Select Station Representatives and Weed Nov. 15 from Peters, Griffin, Woodward • WSLA Selma, Ala. to Radio-TV Representatives Oct. 15 from Forjoe • KXGO-TV Fargo, N.D. to Meeker Dec. 1 from Weed.

**Correction:** In Background No. 10 (Vol. 16:49 p14), the name of the pres. of the Assn. of National Advertisers should read Peter Allport.

## Television Digest

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**Personals:** Storer Bestg. changes: Effective Jan. 1, William Michaels, vp & managing dir. WJBK-TV Detroit, becomes regional vp, Detroit & Cleveland; Terry H. Lee, vp & managing dir. WAGA-TV Atlanta, becomes regional vp, Atlanta, Toledo, Milwaukee.

Fred von Stade, ex-WTVN-TV Columbus, O. national sales mgr., appointed gen. mgr. of Taft Bestg.'s WKYT Lexington, Ky., succeeding Robert Wiegand who becomes WTVN-TV gen. mgr. . . . Jerrold P. Merritt, WICS Springfield, Ill. chief engineer, has been advanced to engineering dir. of the 3 Plains Television Stations, WICS, WCHU Champaign, WICD Danville.

Norman S. Livingston, onetime NBC executive, appointed vp of Tv Stations Inc. . . . John D. Maloy named programming dir. for WNAC-TV & WNAC Boston . . . Chester L. Stewart, Reeves Bestg. vp, appointed president of Reeves Sound Studios div. . . . Soterios (Buddy) Pappas named ad & promotion dir., WTTG Washington.

Arthur D. Stamler, ex-radios WBUR Boston, WHIL Medford, Mass. and WGUY Bangor, Me., who has been operating his own Washington public relations firm specializing in station promotion, joins NAB's public relations staff . . . CBS's John Walsh has resigned as coordinator of special TV programs to become exec. dir., International TV Festival . . . Harry Wagner joins WSUN-TV St. Petersburg as program mgr., succeeding Leo Ribitzki who takes over supervision & production of special community-service programming . . . Thomas A. Pendleton, ex-National Ordnance Lab, Silver Spring, Md., joins Washington TV-radio engineering firm, Jansky & Bailey, as advanced technical development dept. head . . . Peter P. Theg named exec. vp, Broadcast Time Sales.

Frank P. Fogarty, WOW-TV & WOW Omaha vp-gen. mgr., elected RAB chmn. . . . Gayle Gupton resigns as dir. of radio's Clear Channel Bestg. Service, Washington, returns Jan. 1 to Third National Bank, Nashville; successor not yet selected . . . Gene LaBrie, ex-Columbia Records, named program dir., Metropolitan Bestg. Worldwide div.

Michael M. Grilikhes, gen. program exec. for CBS-TV. Hollywood, and Laraine Day have taken out a marriage license . . . Al Flanagan named pres., NAFI broadcast div., as Kenyon Brown steps down to devote his time to other interests. Flanagan will continue as mgr., KCOP Los Angeles . . . Henry R. Flynn, ex-NAFI Corp. bestg. div. executive, becomes vp in charge of Kenyon Brown's per-

sonally-owned radio stations KFOX Long Beach, KITO San Bernardino, KSON San Diego, KANS Kansas City, KGLC Miami, (Okla.) . . . Asher H. Ende, supervising attorney in FCC's Common Carrier Bureau since 1956 & member of U.S. delegation at 5 international conferences, named a hearing examiner.

E. W. (Ted) Scripps, vp of Scripps-Howard Newspapers and associated TV-radio stations, elected pres. of Sigma Delta Chi; CBS Pres. Dr. Frank Stanton named a Fellow of the professional journalism society, the first broadcast executive to be so honored.

Los Angeles Angels, new baseball club franchised by the American League, will be controlled by a group heavily loaded with broadcasting names. Gene Autry (KOLD-TV & KOLD Tucson, KOOL-TV & KOOL Phoenix, radios KMPC Los Angeles, KSFO San Francisco and KVI Seattle) is chmn. of Golden West Baseball Co., which won the franchise. His partner, Robert R. Reynolds, is pres.; Paul A. O'Bryan of the Washington communications law firm of Dow, Lohnes & Albertson is vp & gen. counsel. Others in the group include NAFI bestg. div. Pres. Kenyon Brown and N.Y. banker Joseph A. Thomas. O'Bryan, Brown and Thomas in particular are old baseball hands, having had interests in the Detroit Tigers (Vol. 14:14 p10).

James A. Schulke, Paramount Television Productions vp & mgr. of Paramount-owned KTLA Los Angeles, has resigned, effective Jan. 1. He told us he'd made the move to avoid "conflict of interests" in negotiating on behalf of a syndicate of broadcasters & financiers to buy KTLA's Sunset Studios for an estimated \$10 million. Schulke said current negotiations "look very favorable." If they are concluded successfully, he will head the new operation, which will place its emphasis on tape.

Ex-MBS Pres. Alexander L. Guterman, now under jail sentences for F. L. Jacobs Co. stock operations & for failure to register as a foreign agent (Vol. 16:45 p8), has been indicted again. A U.S. District Court grand jury in N.Y. charged Guterman & 12 other defendants with fraud in connection with 1955-56 sales of stock of Western Financial Corp., Diversified Financial Corp. of America and Consolidated American Industries Inc.

Harold E. Fellows scholarship for graduate studies in broadcasting, financed by the Bestg. Executives Club of New England, has been announced by Boston U. Applications for the \$500 scholarship honoring the late NAB pres. should be submitted by March 1 to Dean Melvin Brodshaug, School of Public Relations & Communications, 640 Commonwealth Ave., Boston.

Edward P. Whitney, NCTA exec. dir., is understood to be resigning as of Feb. 15 to become national sales mgr. of Ameco, Phoenix CATV & closed-circuit equipment manufacturer. Ameco is a div. of Antennavision Inc., headed by Bruce Merrill, which operates several CATV systems and which recently bought KIVA (Ch. 11) Yuma.

Rare white tigress from India has been presented to the National Zoological Park in Washington by Metropolitan Bestg. Corp. Pres. John W. Kluge as "a gift to the children of America." Valued at \$10,000 and named "Mahani Rewa" ("Enchantress of Rewa"), the 200-lb. beast was accepted for the zoo by President Eisenhower in much-photographed ceremonies Dec. 5 on the White House lawn. Metropolitan underwrote the purchase of the tigress from the Maharajah of Rewa and paid the expense of transporting it by plane.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**TV'S DOLLARS-PER-SALE RISES:** The decline in TV unit sales during past few months is only part of the story. What doesn't show up at first glance in statistics is this: Although there have been no general price increases, public is paying more per set than it paid last year.

In past few months they haven't been buying as many sets as last year, but they're buying more consoles, more combinations, more big-screen sets—and this year they're continuing & furthering the 3-year trend toward higher unit price per set.

Analyzing the month of September, we find average price of TV set sold by factory was \$151.41 in 1960, compared with \$147.01 in Sept. 1959. This \$4.40 difference at the factory would translate to perhaps an \$8 differential at retail.

There's no question that constant campaign to upgrade TV set purchases is paying off. Despite a 9.4% drop in total retail TV sales from Sept. 1959 to Sept. 1960, the public bought 8.7% more consoles & 15.5% more combinations in Sept. 1960 than in Sept. 1959.

In Sept. 1960, retail sales broke down as follows: 52% table models & portables, 43.5% consoles, 4.5% combinations. Just one year earlier, breakdown was 60% table models & portables, 36.5% consoles, 3.5% combinations.

Picture-tube size shows similar upgrading—aided sharply by public acceptance of new 19- & 23-in. sizes. In Sept. 1960, consoles sold at retail were divided 53.5% 23-in. & larger, 46.5% 21-in. & smaller, while the division a year earlier had been 19.1% & 80.9%. Among table models, Sept. 1960 saw retail sales divided 59.5% 19-in. & larger, 39.5% 17-in., 1% smaller sizes. In Sept. 1959, 34.8% had been 19-in. & larger, 62.5% 17-in., 2.7% smaller sizes.

These figures for a typical fall 1960 month show that while there are fewer unit sales (and total dollar sales have also declined), there are more dollars—and presumably more profits—per sale.

Note: With official release of EIA production-sales figures for October—showing TV sales down about 13% from Oct. 1959—it's a good guess that total 1960 TV retail sales will come to just about 5,785,000. This is a shade higher than last year's 5,749,000—but distributor sales & production will be lower than last year. For 10-month TV-radio production & sales tables, see p. 17.

**CORNING'S ALL-OUT BONDED-TUBE DRIVE:** Picture-tube safety-glass issue is shaping up as one of hottest intra-industry battles of 1961. Quietly confident of victory—but not in the least complacent—is world's biggest TV-tube bulb maker, Corning Glass Works, whose laminated-glass process is being challenged from several new directions (Vol. 16:48 p14).

Neither dealers nor public realize all the advantages, Corning has found, of the Corning-type tube (to which a wrap-around implosion plate is bonded, requiring no external safety glass). Recent survey made for Corning by Psychological Corp. showed that only 54% of dealers were aware of laminated tube's advantages and fewer used it as selling point. As to TV set owners, only 15% had any awareness at all of terms "bonded shield" or "laminated tube."

All-out TV promotion campaign—"Operation Snowball"—to which Corning will contribute about \$500,000, with kickoff next month at Chicago winter market, will attempt to correct this situation. In cooperation with manufacturers, distributors & dealers of sets using laminated tubes, it will be aimed at promoting TV itself—with emphasis on what Corning has re-christened the "Eye-Saver Tube" and calls "the greatest advance in TV-viewing enjoyment in the past 10 years." Campaign will be elaborate, will use all media,

and was developed by merchandising-promotion specialist Ralf Shockey & Associates, which is currently conducting U.S. Steel's "Rhapsody in Steel" promotion.

Most set manufacturers have approved the drive, which is scheduled to run a full year and is aimed at generating excitement about TV, in addition to promoting "Eye-Saver" TV models—for Corning's TV-glass business is tied directly to success of TV sales. Details of campaign will be announced Dec. 21.

• • • •

Corning calls its laminated bulbs "implosion-proof," but has no plans to use scare factors in its promotion campaign. Nevertheless, for more than a year now, it has been conducting impressive implosion demonstrations for set & tube makers at its Corning, N.Y. hq.

We were privileged to witness the implosion demonstration last week. Two conventional table-model TV sets were used—on both of which the picture tube had previously been weakened by drilling a small notch in the top of the tube through a hole in the cabinet. A spike was then driven into the notch in a set with a 21-in. tube and conventional external safety glass. When it went, it made a noise like a bomb, and though implosion was contained within set by safety glass & cabinet, components were demolished by impact. Then spike was driven into laminated 23-in. tube of the 2nd set. Instead of a bang, there was a poof. Back was opened to expose all components intact, tube merely cracked. By wrapping completely around faceplate, laminated implosion cap holds glass together, we were told.

Corning looks on "implosion-proof" as added plus in laminated tube, says no other type bulb that it knows of has this feature. Implosion probably isn't significant hazard to consumers, since it rarely occurs and almost always is contained within the set. But use of implosion-proof tube, says Croning, cuts down manufacturers' costs by eliminating repeated test implosions of every TV model to satisfy Underwriters' Labs.

Implosion issue, of which we had heard very little since TV's early days, is coming in for some new attention, incidentally. December Popular Science magazine has photo of TV tube implosion (but no scare story). And, quite independently, a leading consumer-guidance magazine is understood to be preparing an article on TV implosions.

• • • •

Corning makes point-by-point rebuttal to proponents of both the dry-seal safety-glass approach (in which glass is separated from tube by vinyl gasket) and the developmental Mylar shield for picture tubes.

The glass manufacturer says its experimented with dry-seal techniques 5 years ago and discarded them. It says this method won't permanently keep dust & moisture from between glass & tube face—unless a truly hermetic seal is made, the cost of which "will be excessive."

One of biggest selling points for laminated tube is elimination of 2 reflective surfaces. When Corning rejected dry-seal approach over 5 years ago, "the prime reason was internal reflections."

As to costs, Corning insists that laminated tubes are as inexpensive as any approach. Although 23-in. laminated tube costs \$3.50 more than conventional one, safety glass is included in cost—and, Corning reasons—gasket and extra mounting hardware for dry-seal or other tubes also help make up the difference.

Corning makes similar argument on the question of weight. Conceding that its tube is heavier than non-laminated tube plus a plastic implosion plate, it says it is nevertheless competitive weight-wise with any other tube-plus-glass approach. A 23-in. laminated tube weighs about 10 lb. more than non-laminated tube, and Corning says that most external safety glasses weigh about 10 lb.

Weight reduction may be on its way for laminated tube. We were shown developmental cap weighing only half as much as today's cap—which could chisel as much as 5 lb. from weight of 23-in. bonded tube. There was no estimate of when the new cap will be ready. Another possibility in future of laminated tube: Special caps could be built in unique shapes, even used to form all-glass front of set.

As to du Pont's Mylar safety shield, Corning says it's "virtually unknown" and hasn't been tested, either in TV or in homes. New Pittsburgh laminating process, too, was called unknown & untested.

Tube makers' early production problems in the laminating process are disappearing. Corning said that manufacturers who have set up properly have cut shrinkage (rejection) down to less than ½%.

All major set makers except Magnavox & GE now use laminated tubes in at least part of their lines.

Corning's rebuttal is a strong one, and the returns aren't in yet—but you can expect to hear, and be involved in, many more salvos in the safety-glass battle in coming months.

### TV-RADIO PRODUCTION: EIA statistics for the week ended Dec. 2 (48th week of 1960):

	Nov. 25-Dec. 2	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	91,649	91,627	122,772	5,398,581	5,878,999
Total radio .....	400,179	273,164	288,755	15,991,381	14,358,176
auto radio .....	117,134	98,333	62,455	6,029,919	5,036,264

**TV-RADIO OUTPUT & SALES:** EIA's official October production & retail sales figures substantiate preliminary estimates in these pages (Vol. 16:48 p17)—TV retail sales for October are down about 13% from Oct. 1959, radio sales are up nearly 20%. Cumulative 10-month TV retail sales are still almost 5% ahead of 1959, while radio sales are sharply up. The sharp brake put on TV production is beginning to show up in reduced inventories, as we noted last month, and further year-end layoffs are expected to bring output down far more sharply in December.

On the basis of 10-month retail sales, it's now evident that, at the current rate of sales, TV retail movement for 1960 will total about 5,785,000 units, slightly higher than last year's 5,749,000, but probably considerably higher in dollar volume, due to the higher average price per TV sale (see p. 15). Radio retail sales (excluding auto) should total about 10.5 million units vs. last year's 8.9 million.

Reports of November business from all distribution levels indicate the slow business trend is continuing. There are some notable exceptions—for example, Emerson, whose Pres. Benjamin Abrams noted a "material improvement" in the last 2 months.

Here are the EIA month-by-month figures for 1960 with comparable 1959 data:

#### TELEVISION

Month	Total Production		Uhf Production		Retail Sales	
	1960	1959	1960	1959	1960	1959
January ...	526,494	437,026	50,119	35,841	590,867	501,704
February ...	503,453	459,492	43,537	34,678	507,673	448,173
March .....	549,500	494,032	45,411	32,112	501,829	425,751
April .....	422,551	389,251	39,240	20,501	351,214	263,998
May .....	442,176	431,911	32,295	28,247	334,283	279,536
June .....	518,870	571,004	34,245	29,064	371,661	344,795
July .....	268,854	350,360	14,621	21,022	392,858	370,575
August .....	462,286	547,445	26,829	32,847	429,346	492,449
September ..	678,937	808,337	46,161	51,555	620,810	684,773
October ..	499,999	706,503	38,999	55,113	554,478	637,147
TOTAL ..	4,873,120	5,195,440	371,457	340,980	4,655,019	4,448,901

#### RADIO

Month	Total Production		Auto Radio Production		Retail Sales (excl. auto)	
	1960	1959	1960	1959	1960	1959
January ...	1,855,788	1,124,737	632,461	420,052	803,388	700,490
February ...	1,442,368	1,125,385	596,872	432,551	611,479	474,888
March .....	1,667,550	1,347,564	633,761	511,219	644,441	515,563
April .....	1,230,323	1,040,183	399,963	422,346	547,839	388,863
May .....	1,277,040	1,039,562	463,165	476,222	548,322	400,882
June .....	1,551,451	1,430,165	596,870	637,806	702,889	678,195
July .....	890,359	829,035	328,009	264,725	573,363	526,827
August .....	1,048,406	1,009,423	340,860	279,424	794,608	671,713
September ..	1,945,092	1,981,208	788,961	717,501	1,102,092	928,457
October ..	1,727,560	1,795,718	639,357	531,116	1,036,333	839,912
TOTAL ..	14,135,937	12,722,970	5,420,279	4,682,962	7,384,754	6,125,790

FM radio production (1959 figures in parentheses): Jan. 33,816 (30,235), Feb. 56,515 (29,145), March 83,127 (32,994), April 68,196 (31,425), May 65,438 (48,841), June 105,317 (50,783), July 49,707 (24,553), Aug. 71,125 (42,866), Sept. 111,745 (76,942), Oct. 88,596 (62,959). Ten-month total: 766,006 (430,763).

GE will introduce 4 new consumer-electronic products at distributor meetings next month—2 radios, one stereo & one TV receiver—all described as "completely new."

**CONSUMER READY TO BUY?** "In the 2 weeks after the election, the American consumer dramatically increased his buying plans"—and TV stands at the top of the list. So reported Dec. 12 *Newsweek* on the basis of a special report on its Continuing Survey of Consumer Buying Plans, conducted by the National Industrial Conference Board and based on interviews made by Sindlinger.

While conceding that the survey was based on "smaller-than-normal samplings," *Newsweek* stated that the figures show "a definite upsurge in consumer confidence" since the election, and speculates that the spurt in buying plans is due to a general belief that a Democratic administration promises an era of easier credit. While plans to buy new houses & appliances increased, new car-purchase plans dropped.

As compared with a year ago, these were the changes in consumer plans to buy various items: TV sets, up 21%. Vacuum cleaners, up 21%. Freezers, up 15%. New houses, up 13%. Ranges, up 11%. Dishwashers, up 9%. Used cars, up 6%. Refrigerators, up 2%. Furniture, unchanged. Driers, down 3%. Home improvements, down 4%. Floor coverings, down 6%. New cars, down 7%. Washing machines, down 14%. Older homes, down 18%.

In a separate analysis, *Newsweek* predicted a rise in the Gross National Product from 1960's estimated \$503 billion to \$510 billion next year, with consumer spending to go up from \$327 to \$330 billion, govt. spending to rise from \$100.5 to \$106 billion, and the consumer price-index to rise from 126.3 to 127. The publication forecast a decrease in industrial production from 108.5% of 1957's level to 105%, and an increase in unemployment from the present 5.4% to 6% of the labor force. The publication saw new housing starts rising from 1.2 million to 1.3-to-1.4 million.

\* \* \*

Upturn in TV business in 2nd half of 1961 was predicted last week by GE TV-receiver dept. gen. mgr. Herbert Riegelman, but he saw the first half continuing the downward trend which started last June. This year's distributor sales of TV sets probably will total about 5.7 million sets, he said, adding: "The corrective action instituted by the TV industry to overcome an unbalanced inventory situation saved the industry from what may well have been a disastrous situation." He saw present inventories at "close to a normal level." He stated that "GE's participation in the industry has shown a significant increase at both dealer & distributor levels." For 1961, he foresees "no significant or immediate increase in consumer demand for color TV," consoles gaining strength in proportion to the growth of the replacement market, combinations gaining in popularity.

Battery-operated electronic computer that will continue to function for more than an hour despite power failure or irregularity has been developed by Packard-Bell.

**IMPORTED TV IS MOVING:** Success of its Japanese-made TVs & stereo consoles—now being imported in substantial quantity and distributed nation-wide—was largely responsible for Delmonico International's all-time sales record last month. So said Herbert Kabat, exec. vp of the subsidiary of Thompson-Starrett Co., which plans to introduce a complete line of TVs & TV-stereo theaters in Chicago Jan. 6, coincidental with the opening of the Winter Home Furnishings Market.

Perhaps Delmonico's biggest TV triumph was its recent sale to Sears Roebuck of 4,000 sets under an "initial contract." The 19-in. Delmonico receivers have been featured in special promotions by Sears retail stores in most major markets east of the Mississippi at a special "limited-time" price of \$128. Results were said to be very good.

The 19-in. set (with U.S.-made picture tube) is the only TV model now being imported in quantity by Delmonico—or anyone else. It is now being sold by "every worthwhile account," according to Kabat—including Macy's, Davega, Liberty Music, etc.—from coast to coast. Liberty Music recently featured the 19-in. Delmonico in newspaper ads at \$159.95 (Vol. 16:40 p15). Kabat said shipments of the sets from Japan are "at a good rate . . . meeting schedules."

Delmonico's other current hot seller is its 11-tube AM-FM stereo phono console, also made by Japan Victor, which lists at \$129.95 (Vol. 16:20 p18). Kabat said the firm is "tremendously back-ordered" on this item.

The company's record November saw sales 21% higher than Nov. 1959 and 17% higher than the previous record month, Sept. 1959, said Kabat. In a statement, he credited "tremendous acceptance for Delmonico's new TV & stereo line . . . increased sales of our West German line of stereo consoles & AM-FM-SW table-model radios, along with a broader distribution base." He said he anticipates a 50% increase in volume next year.

Delmonico plans to emphasize TV-radio-phono combinations in its Chicago showing beginning Jan. 6 at the Ramada Hotel on Michigan Blvd. "Stereo theaters" are due to be shown in both 19- & 23-in. sizes, along with 23-in. TVs & additional stereo consoles. Pushing TV combinations is nothing new to Delmonico's executive team—Pres. Albert Friedman, exec. vp Herbert Kabat & sales vp Seymour Lipper. They're all alumni of Olympic, helped guide it to prominence in TV-phono combo field in early days.

Delmonico is still the only American firm importing TV from Japan in substantial quantities, although Star-Lite Merchandise Corp. brought in several hundred 8-in. sets (sold at Gimbel's in N.Y. for \$99), but apparently has received no other sizable shipments. Second biggest importer of TV sets may well be Majestic International, which features several high-priced German Grundig TV-radio-phono combinations.

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Zenith has raised prices \$10 each on two 19-in. portables, following a face-lifting. With new spotlight channel-indicator, changed trim & mask, dipole antenna, they're now priced at \$199.95 & \$209.95. They were among sets shown to distributors in Chicago last week. Also shown was a new 23-in. set with 92-degree deflection angle.

IRE International Convention will be held March 20-23 at N.Y. Coliseum & Waldorf-Astoria Hotel. Expected attendance is 70,000. About 850 exhibitors will display \$15-million worth of equipment; 275 technical papers are slated.

Minimum wage rates in the electron tubes & related products industry for govt. contract workers were fixed nationally for the first time last week by Labor Secy. James P. Mitchell. Under the Walsh-Healey Act, he set a \$1.42-per-hour minimum for those who work on electron tubes (expect TV picture tubes) and \$1.35 for workers on solid-state semiconductor devices. The rates will apply to all govt. contracts for which bids are solicited or negotiations started on or after Jan. 7. Opposed by EIA, which wanted any Walsh-Healey minimums based on prevailing regional wages in the industry, the \$1.42-\$1.35 national rates were proposed by Mitchell in Aug. (Vol. 16:34 p16). EIA filed a formal protest in September, and followed up last week with another brief challenging Mitchell's final findings, which he said were based on evidence submitted at a public hearing and on an industry survey by the Labor Dept.'s Bureau of Labor Statistics. The survey showed 55,000 production workers were employed in 100 establishments with 8 or more employees. Govt. purchases of electron tubes & related products have been running at \$100 million per year. In last week's brief, EIA said New England electronics plants would be subjected to a particularly "heavy blow" under the new minimums because they are more than 20¢ higher than rates prevailing in that surplus-labor area for electron tubes and 18¢ above rates for semiconductor devices. EIA's objections were backed up in a letter to Mitchell from gen. counsel William B. Barton of the U.S. Chamber of Commerce.

Jerrold Electronics' acquisition of Westbury, N.Y. hi-fi components maker Harman-Kardon (Vol. 16:37 p16) was approved last week by the latter's stockholders, who will receive one share of Jerrold for 1.8 shares of H-K. Jerrold now has about 1.7 million common shares outstanding. An additional 300,600 shares will be outstanding after the exchange for 464,853 shares of H-K stock. The acquisition will be operated as a Jerrold subsidiary. H-K Pres. Sidney Harman, who will continue in that post, forecasts record sales for the 1961 fiscal ending next June 30. The previous high: \$3.8 million, posted in the 1959 fiscal year. In the 1960 fiscal, ended June 30, H-K earned \$3,699 (1¢ a share) on \$3,503,141 sales. For its 1960 fiscal, ended last Feb. 29, Jerrold earned \$810,251 (67¢) on \$8,416,750 revenue. For 6 months to Aug. 31, Jerrold earned \$197,937 (13¢) on \$3,205,887 revenue.

**New plants & expansions:** Zenith has purchased from the Milwaukee Road a 28-acre site on Chicago's west side. "On this property," Zenith Chmn. Hugh Robertson explained, "we will be able to construct some badly needed facilities, and have ample space for additional plant expansion as needed in the future." Initial construction planned: a 300,00-sq.-ft. manufacturing & office building and a warehousing & shipping facility. • Thompson Ramo Woolridge subsidiary Space Technology Labs will erect a \$25-million, 10-building space research & engineering center on a 110-acre site in Redondo Beach, Cal. • Foto Video Electronics, Cedar Grove, N.J. maker of closed-circuit & broadcast TV gear, broke ground last week for a \$400,000, one-story, 30,000-sq.-ft. hq plant slated for occupancy next month.

One million TV picture tubes have been produced thus far in 1960 by National Video, marking the first time the 12-year-old company has hit that volume in a single calendar year. • The 2-billionth Sylvania receiving tube came off the line Dec. 2, reports Pres. Robert E. Lewis, adding: "This achievement comes less than 8 years after the manufacture of our one billionth unit."

**New models:** Canadian Admiral adds 6 new TVs—19-in. table model with AM radio (\$289.95 & \$299.95), 23-in. table with 92-degree tube (\$249.95 & \$259.95), 23-in. console with 92-degree tube (\$279.95 & \$289.95), 23-in. lowboy with 92-degree tube (\$299.95 & \$309.95), 19-in. TV-stereo-AM combo (\$449.95 & \$455.95), 23-in. TV-FM-AM-stereo combo (\$799.95). Canadian Admiral also is showing 3 new stereo units—a portable at \$99.95 and 2 reverb consoles at \$779.95 • Curtis Mathes announces a 23-in. AM-FM-stereo combo in oiled American walnut at \$569.95 • V-M Corp. offers tape recorder-slide projector synchronizer which cues automatic slide projector to tape recorder; list price, \$49.95 • RCA Victor introduces 6-transistor Tuneflair, cordless clock-radio-barometer, with permanent self-charging clock battery, buzzer alarm and clock-controlled off-on feature, to retail at \$125.

**Add layoffs:** GE will lay off 1,400 workers for 5 days (Dec. 23-Jan. 2) at its Syracuse TV plant in an inventory adjustment move. At its Utica, N.Y. radio-receiver plant, all 800 hourly employees will be furloughed for 4 days beginning Dec. 27 for an inventory adjustment attributed to "declining sales as a result of increasing foreign & domestic competition." The company laid off 200 employees after Thanksgiving at its Decatur, Ill. audio-products plant, anticipates no further cuts there. • Philco has reduced output of its Philadelphia TV plant because of market softness & seasonal adjustments, releasing about 1,000 workers.

There are more than 900,000 TV sets in motel rooms, according to a September survey by *Tourist Court Journal*, Temple, Tex., magazine of motel management. Referring to our hotel-motel TV story of last month (Vol. 16:47 p16), the *Journal's* editors forwarded us these results of their motel survey last week: There are 60,500 motels in the U.S., with a total of 1,512,500 rental units (rooms), 59.9% of which have TV. In 1960, some 200,000 new rooms were built in new or existing motels, and an equal number will be built in 1961, according to present plans. These figures include motels only, don't include an estimated 1.4-to-1.5 million hotel rooms.

**Consumer electronic products**—TVs, radios, phonos & accessories—represent biggest category in total gross volume of Davega Stores, according to the 26-store retailer's prospectus for its 6½% convertible subordinated debentures. For the year ended Feb. 29, 1960, consumer electronics represented approximately 40% of the stores' gross volume, sporting goods & apparel 25%, photographic equipment & supplies 17%. Based on \$18,350,630 in net sales & operating income during same period, Davega's electronics sales volume totaled around \$7 million.

**International Home Furnishings Market** at Chicago's Merchandise Mart will last for 9 consecutive days next month—as contrasted with the former 2-week mart covering 10 working days. The market opens Fri. Jan. 6, continuing daily (including Sat. & Sun.) through Sat. Jan. 14. Previously, the market had opened on Monday for a 2-week run, excluding Sat. & Sun.

**Shure Bros.**, Evanston, Ill. manufacturer of electronic components & hi-fi equipment, has begun and will complete by July a \$500,000, 38,000-sq.-ft. addition to its plant.

## Obituary

William L. Carroll, 58, recently retired (1959) finance vp of Westinghouse Electric International, died in Pottsville (Pa.) Hospital Dec. 5 after a long illness. He had been with Westinghouse since 1926. He is survived by 3 sisters.

**Trade Personals:** Philco realigns its consumer-products marketing activities through the creation of 3 groups under consumer-products div. vp-gen. mgr. Henry E. Bowes. The Electronics Group is headed by group vp Armin Allen, ex-vp for electronics planning; Appliance Group by vp Jack Cherry, ex-refrigeration & air conditioner mdsg. mgr.; Laundry Group by vp John A. Rishel Jr., ex-consumer products mdsg. mgr.

Robert G. Urban, continuing as Philco mktg. vp, retains responsibility for merchandising through the distribution system. Fred Ogilby, ex-sales dir., becomes consumer products sales vp. John Utz has been promoted to mgr. of special sales. Gibson Kennedy, ex-dir. of associate distributor sales, becomes div. mdsg. dir. Rayford E. Nugent, ex-asst. to mktg. vp, takes post of accessories & services div. vp. Jack Kane moves up from TV mdsg. mgr. to electronic products mdsg. mgr. Owen H. Klepper from sales promotion mgr. to mdsg. mgr., appliances & laundry products. John E. Kelly continues as ad mgr.

George H. Fezell, former Magnavox vp-gen. merchandising mgr., joins Montgomery Ward as mgr. of its new major appliances & electronics div., split off from the old home furnishings div., formerly managed by Fred H. Dilg. resigned . . . George J. Dickey named Stromberg-Carlson vp-asst. gen. mgr., succeeding vp Alan R. Shilts, who has resigned (Vol. 16:49 p21); Dickey was formerly asst. to exec. vp C. Rhoades MacBride of parent General Dynamics Corp. . . . Dr. Lloyd V. Berkner, IRE president-elect, elected president of Graduate Research Center, Dallas; he's succeeded as acting president of Associated Universities Inc., N.Y., by Dr. Leland J. Haworth, AUI vp & dir. of Brookhaven National Lab.

John P. Macri named sales mgr. of RCA's new Data Communications & Custom Projects Dept. . . . John Ireg, Webcor, and William Gallagher, Columbia Records, named to board of Magnetic Recording Industry Assn.; Daniel E. Denham, Minn. Mining, named public relations committee chairman . . . Earl Olenick returns to Oak Mfg. Co. as sales mgr. from Phaotron Instrument . . . Larry Epstein resigns as Bogen-Presto hi-fi & professional products sales & mdsg. mgr., future plans not announced.

Donald C. Power, GT&E chmn., named national chmn. of American Heart Assn.'s 1961 Heart Fund Campaign . . . James B. Gordon, pres. of Bendix subsidiary Hydraulic Brake Co., elected Bendix secy. . . . W. C. Schultz named national distributor sales mgr., Hoffman semiconductor div. . . . Robert Tomer promoted to CBS Electronics mgr. of information services . . . James M. Christensen, ex-Minneapolis-Honeywell, appointed Conrac personnel mgr. . . . Edward L. Fitzgerald promoted to Sylvania computer mktg. mgr.

Jesse Marsten, International Resistance senior vp, retires Dec. 31 after more than 30 years with the company. He will continue his relationship with IRC, as consultant and board member . . . Charles P. Johnson, ex-ITT-Kellogg, named military products div. dir., Adler Electronics; Stanley P. Lapin, ex-Motorola, industrial products div. dir. Both are new posts.

Philco holds distributor meetings this week, showing new appliance lines and spring consumer-electronics items Dec. 13-14 at Philadelphia's Bellevue-Stratford Hotel, Dec. 16 & 17 at Chicago's Morrison. Dealers will see the new lines Jan. 3-7 at "Philco Travaganza" shows at Miami Beach's Fontainebleau and at the Flamingo in Las Vegas. The dealer showings will feature championship athletic shows staged by *Sports Illustrated*.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Columbia Pictures	1960—13 wks. to Sept. 24 1959—13 wks. to Sept. 26	—	—	\$ (1,107,000) <sup>1</sup> 684,000 <sup>2</sup>	— \$0.48 <sup>3</sup>	1,319,287 1,270,350
Lynch Corp. (Symphonic Electronics)	1960—9 mo. to Sept. 30 1959—9 mo. to Sept. 30	\$ 17,615,116 16,405,913	— —	(219,810) 22,937	— —	— —
MGM	1960—year to Aug. 31 1959—year to Aug. 31	130,444,607 130,970,376	21,394,908 17,304,343	9,594,908 7,698,951	3.83 2.91	2,506,129 2,641,288
Pacific Industries	1960—qtr. to Nov. 30 <sup>5</sup> 1959—qtr. to Nov. 30	4,300,000 4,590,000	— —	450,000 161,000	.30 .14	— —
Packard-Bell	1960—year to Sept. 30 1959—year to Sept. 30	44,029,822 46,608,062	— —	207,704 1,375,346	.26 1.73	812,135 792,600
Stanley Warner	1960—year to Aug. 27 1959—year to Aug. 27	132,153,749 123,877,723	\$ 7,163,803 9,887,041	3,513,803 4,812,041	1.73 2.38	2,025,374 2,025,374
Technicolor	1960—44 wks. to Oct. 29 1959—44 wks. to Oct. 29	23,448,737 23,241,493	— —	418,292 186,908	.19 .09	2,211,679 2,033,792
United Artists	1960—9 mo. to Oct. 1 1959—9 mo. to Oct. 3	80,595,000 72,061,000	— —	2,987,000 2,885,000	1.79 1.73	1,664,218 1,664,218
Warner Bros.	1960—year to Aug. 31 1959—year to Aug. 31	89,963,000 85,328,000	13,702,000 15,375,000	7,102,000 9,375,000 <sup>4</sup>	4.64 5.91	1,527,900 1,585,196

Notes: <sup>1</sup>Loss from operations—before \$1.6 million profit on sale of land converted loss to net of \$510,000 (34¢ a share). <sup>2</sup>From operations—before \$202,000 profit on sale of land increased net to \$886,000 (63¢).

<sup>3</sup>After preferred dividends. <sup>4</sup>Exclusive of \$6.5-million (\$4.10) profit from sale of ranch. <sup>5</sup>Preliminary.

Format Films, animated film producers, will gross in excess of \$950,000 for its first year of operation which ends Dec. 15, reported Pres. Herbert Klynn. He told the board that during this period the North Hollywood, Cal., firm had increased its staff from 12 to more than 100. The company specializes in commercials and is planning 4 half-hour animated film series, including *The Shrimp*, *The Alvin Show*, and *The Illustrated Man*.

International Electronic Research Corp., Burbank, Cal. firm which makes precision instruments and a heat-dissipating tube shield, has applied to SEC (File 2-17357) for registration of 220,000 common stock shares, 110,000 to be offered for public sale, the balance to present holders. Schwabacher & Co. is the underwriter. The public offering price wasn't reported immediately.

Reports & comments available: General Precision Equipment, survey, Shields & Co., 44 Wall St., N.Y. 5 • General Instrument, Federman, Stonehill & Co., 70 Pine St., N.Y. 5 • General Dynamics, brief, Oppenheimer, Neu & Co., 120 Broadway, N.Y. 5 • Metropolitan Bestw., report, J. R. Williston & Beane, 2 Broadway, N.Y. 4 • Telechrome Mfg., memo, R. S. Dickson & Co., 30 Broad St., N.Y. 4 • Pittsburgh Plate Glass, reviewed in *Weekly Review*, Fahnestock & Co., 65 Broadway, N.Y. 6 • Cryogenics, report, Bull & Low, 45 Wall St., N.Y. 5 • MGM, Shearson, Himmill & Co., 14 Wall St., N.Y. 5 • Audio Devices, brief, Cooley & Co., 100 Pearl St., Hartford 4.

Unlisted trading privileges for Ampex, General Telephone & Electronics and Minn. Mining & Mfg. common stock are sought by the Cincinnati Stock Exchange in SEC applications.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 8, 1960

Electronics TV-Radios-Appliances Amusements

*The following quotations, obtained in part from the National Association of Securities Dealers Inc., do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been bought or sold at time of compilation.*

Stock	Bid	Asked	Stock	Bid	Asked
Acoustica Associates	17 1/2	19 1/2	Lel Inc.	4 1/4	5
Aerovox	7 1/2	8 3/8	Magna Theater	2 1/2	2 1/2
Allied Radio	21 3/4	23 3/8	Magnetics Inc.	7	8 1/8
Astron Corp.	1 3/4	1 7/8	Maxon (W. L.)	7 1/2	7 7/8
Baird Atomic	23 3/4	25 1/2	Meredith Pub.	40 1/2	43 1/2
British Industries	16 1/4	17 3/4	Metropolitan Bestg.	17 3/4	19 1/2
Centron Electric	3 1/2	4	Milgo Electronics	16	17 1/2
CGS Labs	6 1/2	7 3/4	Narda Microwave	4	4 1/4
Control Data Corp.	53	56	Nuclear of Chicago	34 1/2	37 1/4
Cook Elec.	12	13 3/8	Official Films	2-5/16	2 1/2
Craig Systems	15 1/4	16 3/8	Pacific Automation	4 1/4	4 1/4
Dictaphone	30	32	Pacific Mercury	5 1/2	6 5/8
Digitronics	22 1/2	24 1/2	Perkin-Elmer	41 1/4	44 1/2
Eastern Ind.	14 1/4	15 1/4	Pyramid Electric	2 1/2	3-1/16
Eitel-McCullough	14 1/4	15 1/4	Radiation Inc.	21 3/4	23 1/2
Elco Corp.	13 1/2	14 1/2	Howard W. Sams	36	38 1/2
Electro Instruments	19	21 1/4	Sanders Associates	30	32 1/2
Electro Voice	7 1/2	8 3/8	Silicon Transistor	4 3/4	5 1/2
Electronic Associates	29 1/4	31 1/4	Soroban Engineering	33	35 1/2
Erie Resistor	8 1/4	9 1/2	Soundscriber	15 1/2	17
Executive	23 1/2	26 1/4	Speaker Carbon	18 1/4	20 1/2
Farrington Mfg.	27	29 1/2	Sprague Electric	45 1/2	48 1/2
Fischer & Porter	18	19 1/2	Taft Bestg.	12	13 1/2
General Devices	8 3/4	9 1/2	Taylor Instrument	32	34 1/2
G-L Electronics	7	8 1/2	Technology Inst.	7 1/4	7 1/2
Granco Products	2 3/4	3 3/8	Telechrome	10	11 1/4
Gross Telecasting	19 3/4	21 1/2	Telecomputing	7 3/4	8 1/2
Haydu	1/16	1/4	Telemeter	12 1/2	13 1/2
Hewlett-Packard	26 1/2	28 1/4	Time Inc.	66 1/2	70
Hilti Voltage Eng.	165	175	Tracerlab	8 1/4	9 1/2
Infrared Industries	16 1/2	18 1/4	United Artists	5 3/4	6 1/2
International Rectifier	23 1/2	25 1/2	Universal Control	17	18 1/2
Interstate Engineering	20 3/4	22 1/4	Universal Trans.	1	1 1/2
Itek	52 1/2	57	Vitro	9 1/4	10 1/4
Jerrold	7 3/4	8 1/2	Wells-Gardner	18 1/4	19 1/2
Lab for Electronics	48 3/4	52 1/4	Wometco Ent.	13 3/4	14 7/8

# WEEKLY **Television Digest**

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

## SUMMARY-INDEX OF WEEK'S NEWS

### Congress

**CBS & NBC URGE REPEAL OF SEC. 315.** They assure House campaign probers that action would save election time & expense. ABC asks only for more "Great Debates" (p. 1).

**"HOODLUMS" & TV FIGHTS** should be blanketed under federal licensing authority covering closed-circuit boxing promoters, too—says Senate prober Kefauver (p. 8).

### FCC

**FCC MOVES AGAINST MANAGEMENT PAYOLA** in cease-&desist proceeding against radios WAOK Atlanta & WRMA Montgomery. Management says practice stopped months ago (p. 2). Dept. (p. 10).

### Film & Tape

**AFTRA-SAG PACT DETAILS** revealed: "Weighting" of cities by population units for spot-talent compensation is highlight of agreement with networks, agencies and producers (p. 3).

### Networks

**NEW CANADIAN NETWORK** will be 49% owned by its 8 affiliates, which will use their studio & technical facilities for program origination, says Caldwell (p. 5).

**NEWS SHAKEUP AT CBS** continues with corporate affairs vp Richard S. Salant named chmn. of a News Executive Committee. It's the latest step in a long-range re-alignment of CBS News (p. 5). **CBS REGAINS FIRST PLACE** in 2nd of Nielsen's November NTI reports, with NBC—sparked by election-night Nov. 8 success—and ABC close behind (p. 6).

### Stations

**EUGENE ORE. VHF STARTS OPERATION:** KEZI-TV (Ch. 9) start is counteracted by demise of KNBS (Ch. 22) Walla Walla (p. 8).

**HUGE KSWS-TV TOWER TOPPLES** in freak windstorm, injuring one, demolishing transmitter & generator buildings, hitting homes of engineers (p. 9).

**CBS & NBC URGE REPEAL OF SEC. 315:** Speaking almost in unison, CBS Inc. Pres. Frank Stanton & NBC Chmn. Robert W. Sarnoff came up last week with cure-all prescription for perennial political problems of how to make nation's election machinery work better. Repeal Communications Act's Sec. 315, they said.

Excessive campaign time & expense can be cut easily by freeing broadcasters from Sec. 315 shackles on political programming, special House Campaign Expenditures Committee was told by chiefs of 2 networks.

Different tack was taken by AB-PT & ABC Pres. Leonard H Goldenson. He told Committee he had no sure answers to questions of whether campaigns are too long & costly—or what should be done. And he stopped short of recommending outright lifting of Act's equal-time requirements, suggesting only that Congress permanently suspend Sec. 315 for Presidential tickets.

Candidates & public alike would share benefits of equal-time repeal in at least 2 ways, Stanton & Sarnoff insisted on their side of network policy split. They argued: (1) Increased exposure of office-seekers on TV & radio would enable them to shorten electioneering periods—and spare electorate from boredom of being subjected to protracted oratory. (2) Public-interest broadcasting time which networks & stations could give candidates would save them much money.

### Consumer Electronics

**NEW COLOR TUBE DUE FROM RCA** in new 12-set line, shown to distributors. RCA also introduces 15 new 23-in. b&w models (pp. 12 & 13).

**MAJOR SET MAKERS DROP FANCY "FINISH" TAGS** for wood-like cabinets. Admiral, GE, RCA, Motorola, Westinghouse, Emerson, Philco, Sylvania, Zenith sign FTC stipulations (p. 12).

**EIA SEES \$10.3 BILLION 1961**, up another 6%. "Rough spots" are ahead, but defense & industrial business will sustain industry, says Pres. L. Berkley Davis (p. 13).

**PUBLIC ATTITUDES ON IMPORTS**, as measured in survey: U.S. goods strongly preferred; Japanese image still means "cheap;" TV, hi-fi, transistor-radio attitudes observed (p. 14).

**"GOOD PICTURE QUALITY"** is most important factor to TV buyers, survey shows, but brand name is most significant consideration in actual set purchase (p. 15).

### Auxiliary Services

**TABOO ON TAVERNCASTS** is issued by court as CBS and N.Y. Football Giants get after N.J. tavern which charged admission to see blacked-out pro games (p. 9).

**CATV LEGISLATIVE PROPOSALS** nearing completion at FCC. Latest: Protect both locally-originating stations & public's right to multiple service, on case-by-case basis (p. 9).

### Advertising

**RISING AD COSTS** required 1960's advertisers to increase budgets 4.7% to match 1959's schedules. Printers' Ink adds that 1961 budgets must rise again to maintain 1960 schedule (p. 7).

### Other Departments

**PROGRAMMING** (p. 10). **PERSONALS** (p. 11). **TECHNOLOGY** (p. 11). **FINANCE** (p. 16).

CBS-NBC arguments were buttressed by facts & figures on 1960's "Great Debate" series under one-shot suspension of Sec. 315 for Presidential & Vice Presidential candidates this year only. And Goldenson contributed ABC data supporting other networks' case.

No candidates in history were seen & heard by more people than in 4 swift joint Kennedy-Nixon broadcast appearances—and the industry's performance demonstrated that there's no good reason why candidates for all offices shouldn't enjoy similar advantages, said Stanton & Sarnoff.

Sec. 315 repeal would be thrifty for politicians, too, Stanton & Sarnoff pointed out. Stanton estimated that the CBS TV & radio networks alone spent \$1,425,000 on programs presenting Presidential & Vice Presidential candidates this year—expense which the parties were spared. Sarnoff said NBC-produced political programs cost \$1,686,000—which was 66% more than the parties spent for paid NBC telecasts. Goldenson said ABC dropped \$250,000 on "Great Debate" series alone.

Sarnoff presented his network's case in person. CBS Washington vp Edmund C. Bunker was standing in for Stanton, whose statement was read while he was at President-elect Kennedy's home for 45-min. talk on subjects ranging from TV debates to USIA. Goldenson submitted statement for hearing record.

"You may be assured that great attention will be given to Sec. 315," Committee Chmn. Davis (D-Tenn.) said after hearing statements by Stanton & Sarnoff. But neither he nor any other Committee members appeared overwhelmed by arguments that equal-time protections for candidates should be removed entirely. Sec. 315 is expected to get only once-over-lightly treatment in Committee report, leaving Communications Act jurisdiction to House & Senate Commerce Committees and further equal-time hearing next session.

Networks were lauded for 1960 "Great Debate" shows by Davis & others. But Davis said 4 were too many for him (first one was enough, he told Sarnoff), and questions were raised at hearings about danger to candidates from "over-exposure" on air, whether paid for or not. Rep. Cramer (R-Fla.) also said he wouldn't be willing to let broadcasters fix formats for political programming if Sec. 315 restrictions were to be lifted. Candidates should have some say, too, he said.

Davis indicated that main recommendation by Committee will be that Democratic & Republican National Committees themselves set limits of 6 or 8 weeks on future campaigns vs. 4 months taken up this year. House campaign-investigating units (which have no legislative functions themselves) are set up every 2 years. They seldom produce lasting election reforms. Davis committee will go out of existence Jan. 3.

**FCC MOVES AGAINST MANAGEMENT PAYOLA:** First sharp FCC action against station owners (as distinguished from employes) who took record-maker payola was directed last week toward radios WAOK Atlanta & WRMA Montgomery. It ordered licensees to show cause why "cease & desist" orders shouldn't be issued against them.

Stations were singled out, we're told, because they're the only ones actually frankly admitting taking payments. However, stations' Pres. Stan Raymond informed us: "I don't understand it. We told them months ago that we had ceased & desisted." He said stations had started the practice in order to control payments to disc jockeys, each getting share according to his time on air—along with vp-program dir.-DJ Zenas Sears, 1/3 owner. "Never," Raymond said, "did the payments control what records were played."

Case will be cleaned up quickly, FCC staff members told us, if management accepts the cease-&desist order—and lives cleanly ever after. No hearing would be needed.

It's believed that stations' action in disclosing complete details resulted in the relatively mild Commission action. Chmn. Ford, however, voted for revocation proceedings.

Amount of payments wasn't disclosed, but we're informed that it was "peanuts" compared with stations' profits, which are quite substantial. Programming is directed at Negro market.

## Film & Tape

Screen Actors Guild has placed Gross-Krasne Inc. on its "unfair list," alleging that producer Phil Krasne had failed to pay actor Jerome Thor \$28,988 for his services in the *Rogue for Hire* series. Several episodes were filmed, but the series was never sold. SAG's action means that no actors may work for Krasne until settlement.

Warner Bros. will appeal the Los Angeles Superior Court decision which freed James Garner from his contract (Vol. 16:49 p8). Judge Arnold Praeger, after upholding Garner's contention that Warners had invoked *force majeure* without justification, awarded the actor one week's pay, \$1,750. He had sought a year's pay—\$106,000, but Judge Praeger based his award on the week between Warners' suspension and Garner's declaration as a free agent.

**DETAILS OF THAT AFTRA-SAG PACT:** Specifics of the recently-negotiated TV-commercials contract between Screen Actors Guild, AFTRA and the networks, ad agencies and producers were disclosed over the weekend when SAG mailed copies to its 14,000 members to seek ratification (Vol. 16:49 p2; 46 pp3 & 7). AFTRA is still negotiating phases of its contract with the networks, and will seek membership ratification later.

Highlight of the agreement, covering both film (in SAG's jurisdiction) and tape (AFTRA jurisdiction), is a new formula in the spot area that is based on "weighting" of cities by population units & a structure of fees based on these units.

Compensation for 13-week cycles of spot use is based on a formula by which each city is given a unit of one for each million of population in its metropolitan area. A fractional population of 500,000 or more constitutes an additional million for weighting purposes. Each city below one million is weighted at one unit.

Under this formula, Baltimore, Cleveland, Pittsburgh, St. Louis and Washington, D.C. are weighted at 2 units; Boston and San Francisco, 3; Detroit and Philadelphia, 4.

N.Y., Chicago and Los Angeles are treated separately. For principals on camera in spots used in any one of these 3 cities, the rate is \$200 (compared to the old rate of \$125). For additional units a formula will be used beginning at 26 units (\$1.25 a unit). For spots shown in any 2 of these cities, the rate is \$312, as compared to the old rate of \$170, plus additional units at 25¢ each. For all 3 cities, the rate is \$345, up from \$220, plus additional units at 25¢ each.

For the principals off camera in spots used in the 3 cities, the rate for any one city goes up from \$72.50 to beginning at 26 units, \$1 a unit; any 2 cities, from \$105 to \$190, plus additional units at 20¢ each; all 3 cities, from \$150 up to \$227, plus additional units at 20¢ each.

The old formula still applies to program commercials, although the guilds did receive scale hikes in this area. Under that formula, the classifications, A, B & C and weighting of N.Y. at 11 units, and Los Angeles & Chicago at 7 each, still prevails.

Session fees go up from \$80 to \$95 for principals on camera, from \$55 to \$70 for off-camera principals, and there are general raises all along the line.

The employers have agreed to a contribution of 5% of all compensation toward a pension & welfare fund.

The contract also calls for limitations on exclusivity; reduces the maximum period of use & reuse off camera from 30 months to 24, includes the showings of commercials in the U.S., Canada and Mexico in coverage of use & reuse fees, with rates for showings elsewhere to be up to the player's individual bargaining.

The 3-year contract is retroactive to Nov. 16, becomes effective Jan. 16.

CBS Films has sold 90% of its international syndicated library to the Australian market, according to international sales dir. Ralph Baruch. Australia now gets 44 CBS series, including *The Brothers Brannagan*, *Twilight Zone*, *Rawhide*, & *Gunsmoke*, plus news & public-affairs films such as the CBS News film. Baruch also announced that in response to pleas that Australia needs product badly, and servicing by agents is proving unsatisfactory, CBS has set up its own Australian sales unit with William Wells as managing dir.

**MGM-TV's Pilot Plans:** MGM-TV will produce a minimum of 7, perhaps as many as 9 pilots for the coming season, we're told by Robert M. Weitman, vp in charge of TV production for the Culver City studio. The list ranges from musical comedy to action and anthology.

He lists as definite pilot projects: *Cain's 100*, contemporary action (60-min.), Paul Monash, exec. producer, for NBC-TV, going into production Jan. 10. *Woman in the Case*, anthology (60-min.), Monash, exec. producer, for NBC-TV, in production Jan. 12. *Darrow for the Defense*, courtroom drama, Norman Felton, producer, in production about Jan. 15. *Father of the Bride*, comedy, starring Leon Ames, Robert Maxwell, producer, General Mills financing, into production Jan. 15. *Andy Hardy*, comedy, Maxwell, producer, for NBC-TV, into production in late January. *Harry's Girls*, musical comedy, Ralph Levy, producer, Alan Jay Lerner, creator, Larry Blyden, star, just filmed in Europe. *Dr. Kildare*, drama, into production Jan. 25.

The pilot of *The Adventures of Hercules Poirot*, starring Jose Ferrer, has been delayed because of Ferrer's movie commitments. MGM-TV is also interested in other deals, and is in negotiation for network financial participation in its pilots, Weitman told us.

The executive said he expected a renewal for MGM-TV's *National Velvet*. The studio's *The Islanders* leaves ABC-TV April 9, after its commitment for 26 segments has expired, and will be replaced by MGM-TV's *The Asphalt Jungle*, which goes into production in mid-January. Arthur Lewis has been named producer of the series.

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Henry Jaffe Enterprises Inc. has filed a \$3.5-million damage suit against Screen Gems in Los Angeles, alleging that SG conducted negotiations with ABC-TV for reruns of 1958 *Shirley Temple Storybook* episodes at the same time it was telling Jaffe it was trying to get a network commitment for new (1959) segments. Jaffe, exec. producer of the series, said his contract with SG demanded that he get a network commitment by Sept. 1, 1958, for new shows, or SG could distribute the 1958 shows without Jaffe's approval. He said the agreement was extended to Nov. 1, 1959, providing neither party would contact prospective buyers without the other's knowledge & consent. SG sold the reruns to ABC-TV without trying to sell the 1959 series, he alleges. This was done despite SG's knowledge that Jaffe Enterprises had paid \$246,000 to Miss Temple to assure her availability, and that amount was forfeited when the 1959 series wasn't sold, the action claims. Jaffe charges SG made "false representations" & acted "deceitfully & fraudulently," and asks \$2.5 million in actual damages, \$1 million in punitive damages.

FTC action to force Hollywood "plug specialists" to disclose the names of national advertisers they have represented was dropped in Los Angeles last week. The case, which had been due for a hearing in U.S. District Court, was dismissed on motion of FTC attorneys who indicated the Commission was dropping its investigation of Dick Fishell & Associates, Mary Rothschild and Vicki Raaf. Their attorney, Oliver B. Schwab, had opposed government subpoenas on the basis that FTC had shown no violation of federal law, and that investigations were being conducted without giving his clients sufficient Constitutional guarantees. Schwab is also seeking to quash FCC subpoenas against the same clients, on the grounds that they have been deprived of counsel under FCC hearing ground rules, and that the information sought is confidential & beyond the scope of the FCC probe of TV film (Vol. 16:44 p7).

## NEW YORK ROUNDUP

Goodson-Todman Productions will become the industry's leading Eastern-based producer in terms of weekly network program hours, effective with the January premieres of *Say When* and *One Happy Family* on NBC-TV, and *Numbers Please* on ABC-TV. G-T's weekly total will then be 12.5 hours (comparing favorably with such Hollywood giants as Revue Productions, Four Star and Warner Bros.), comprising 25 half-hour segments on the 3 networks.

Add Syndication Sales: CBS Films' *The Brothers Brannagan* has been sold in 120 markets to date, with new sales including WNAC-TV Boston, KDKA-TV Pittsburgh, WXYZ-TV Detroit. The series has also been sold in 6 Australian cities . . . Ziv-UA's *Miami Undercover* has been bought by WNEW-TV N.Y., bringing total markets so far to 61 . . . Ziv-UA's year-end Canadian sales report shows 142 sales of 27 separate series, including a CBC network deal on *Aquanauts*. International Television Programs, Ziv-UA's foreign distributor, handled . . . UPA Pictures began syndication of its *Adventures of Dick Tracy*, animated cartoon series, Dec. 15 . . . MCA-TV has picked up 6 additional markets for its mystery-adventure series, *Shotgun Slade*.

Screen Gems has become the first feature-film distributor to score a sales breakthrough in Canada with a major post-1948 package. A 209-picture group was bought last week by 3 CBS stations (CBMT Montreal, CBOT Ottawa, and CBUT Vancouver), by 3 newly-licensed TV outlets (CFTO-TV Toronto, CJAY-TV Winnipeg, CJCH-TV Halifax) and by CBC's Calgary affiliate, CHCT-TV. It's the same post-1948 package ("Born Yesterday," "Death of a Salesman," etc.) recently signed by the 5 CBS-TV o&o's and now being released in small sub-packages in this country by Screen Gems (Vol. 16:49 p6).

MGM-TV's pre-1948 feature library has been sold in a 5-year deal for the Australian market for an estimated \$2.6 million. So states MGM's annual report for the fiscal year ending Aug. 31, 1960. The only other foreign deal for the MGM backlog is the sale of a few selected features to Canada's CBC. No plans for the sale of MGM's post-1948 library in or out of the U.S. have been announced.

British-made cartoons, produced by Halas & Bachelor Productions, are now being syndicated by Interstate TV Corp., an Allied Artists subsidiary. There are 2 series: *Snip & Snap*, which utilizes paper cutouts in settings created from common household objects—and *Foo Foo*, angled at adult viewers. Both are 26-episode, 7-min. shows.

Ziv-UA sold its first network show of the 1961-62 season in N.Y. last week—to ABC-TV. The package is *Small Town D.A.*, a 30-min. series (so far without a star) based on a similarly titled book by Robert ("Anatomy of a Murder") Traver.

People: Daniel M. Curtis has been appointed CNP (subsidiary of NBC) sales dir. Also named to top CNP posts: Jacques Liebenguth, national & regional sales dir.; Bill Breen, Eastern sales mgr. . . . John J. Howley has been named ITC central div. acct. exec. . . . David E. Ferrin, Iversen-Ford exec. producer, goes to Hollywood to tape a new TV series, *Concepts*, which features moral & spiritual values in today's culture. Star is Lew Ayres . . . Leonard E. Hammer, UAA national sales dir., has been given the additional duties of Eastern div. sales mgr.

## HOLLYWOOD ROUNDUP

Prospects dimmed for a \$4-million Hollywood motion picture & television museum last week when the Los Angeles County Board of Supervisors delayed a vote for putting up \$500,000 to begin the project. The supervisors proposed that the film industry raise \$2 million for the museum—a suggestion not well received by industry figures at the hearing. Warner Bros. vp E. L. De Patie said his studio had already contributed thousands to the project by assigning individuals to collect items for the museum. "If the success of this plan depends of further contributions from the industry, this delay will doom the entire project to failure," he said. Among those speaking for the project: Mary Pickford, Harold Lloyd, Sol Lesser, chmn. of the museum commission.

Desilu Productions is piloting 2 Cy Howard-produced comedies, *My Wife's Brother*, starring Rowan & Martin and Carole Cook, and *Mickey & the Comtesse*, starring Eva Gabor & Mickey Shaughnessy; also a duo—*Homicide*, a 60-min. action series, and an untitled Western—to be produced by Mort Briskin. John Bromfield may star in the Western. Tentative on the pilot schedule is a comedy, *You Can't Win 'em All*, which would probably be produced by Bob Schiller & Bob Weiskopf.

Burlingame Productions will pilot an action-adventure series for CBS Films in January, with Jess Oppenheimer producer . . . Latest 20th Century-Fox TV pilot: *The Jayhawkers*, 60-min. Western . . . John Guedel Productions will tape *Take My Advice*, panel show pilot, in January. George Fenneman, Eddie Lamarr, Carl Reiner, Bob Sweeney and Dr. Loriene Johnston are on the panel, and Guedel is producer.

Arrowhead Productions producer Richard Bare will make 2 pilots, a 60-min. action-adventure show, *Jamaica Reef*, and *The Joan Davis Show*, a comedy . . . Cameron Productions, owned by Rod Cameron, plans to pilot an adventure series starring Cameron in most of the films and featuring him as host. Guest stars would appear in the other segments.

Hubbell Robinson Productions will pilot *87th Precinct*, a 60-min. action series, for NBC-TV . . . Four Star Television is filming 17 episodes for 11 different series during the 2-week period prior to the holidays.

Girard-Lewis Productions plans a 60-min. pilot, *Room 63*, slated to go into production Jan. 25. The adventure series will be filmed in Los Angeles & Sacramento. Bernard Girard is producer.

Allied Artists and producer Lindsley Parsons plan a 60-min. pilot, *Patrol Boat 999*, to go into production in late January. Parsons is exec. producer, Aubrey Wisberg producer.

NBC-TV is developing a 60-min. circus series, *The Big Tent*, to be filmed in color.

People: Robert Justman named production liaison executive for MGM-TV . . . J. Albert Trescony, MGM talent director, named head of casting for MGM-TV . . . Esme Chandlee is associate producer of *Here's Hollywood*, on NBC-TV . . . Arthur Manella elected to board of Desilu Productions . . . Producer Joseph Naar has left Revue Studios to form his own independent TV film company—Nardo Productions.

## Networks

**CANADIAN NETWORK PLANS:** Canada's 2nd—and first privately owned—TV network will be 49% owned by its 8 affiliates and will use their studio & technical facilities. So said S. W. (Spence) Caldwell, head of the group which received the go-ahead from Canada's Board of Broadcast Governors to form a network to serve privately owned TV stations in 8 areas coast-to-coast where there are competitive CBC-affiliated outlets (Vol. 16:50 p3). Toronto TV-film producer-distributor Caldwell made these points:

(1) The 8 basic affiliates will be offered 49% of the new network's capital stock "on a pro-rata basis," with provision for participation by future affiliates. The network will be "99 44/100% Canadian-owned," all investors being "well-known in business, the arts and social service."

(2) The new network "will not build any production plant of its own, but will, instead, employ those of its affiliated stations & other independent producers." Thus it will have available to it "some 24 studios, 20 video-tape recorders, 50 camera chains and 8 mobile units." Because it will have "no capital costs for facilities," it will put its money into programming and "we have established a program bank to provide funds for the production of pilot episodes of program series." This fund is expected to make available at all times "a minimum of 10 Canadian-produced program series ready for sale."

(3) The network already has a "basic agreement" with communication companies to provide a 2nd national microwave service with a reversible TV channel, so that programs may be originated at any point.

(4) Despite reports that some stations are reluctant to sign with the network, Caldwell says preliminary discussions "have indicated that our proposal has the support right now of a majority of the new licensees, and we are confident that the concrete proposals we will make to these stations will assure their agreement to the . . . plan."

(5) Caldwell hopes to apply next March for permission to form the network company, with first major programming in September.

(6) "We are proposing to begin at 10 hours per week with an expansion over the next 2 years to 25-to-28 hours per week. [But] the 8 basic affiliated stations will be primarily local TV services and, therefore, have no need of the all-embracing type of network which occupies 70 to 80% of the broadcast time."

(7) The network will establish a Program Advisory Committee, including representatives of affiliated stations, to work out schedules and to "assist & stimulate" local production. The new network will also buy independently produced program packages.

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A rumor that Frank Stanton would resign to head the U.S. Information Agency when the Kennedy administration takes over was flatly denied Dec. 15 by CBS. But the rumor easily led all others as a topic of luncheon & cocktail conversation late last week. Feeding the speculation was the report of a friendly talk in Washington between Stanton & President-elect John F. Kennedy, although Stanton—at the time—denied that he & Kennedy had made any agreements regarding a govt. position for Stanton. Also in Washington, Stanton's name was in the news in another connection, when his testimony on Sec. 315 and election campaigns was read to a House Committee (see p. 1).

**NEWS SHAKUP AT CBS:** The reshuffle of CBS News continued last week in the wake of earlier changes. This time, however, it wasn't just a re-alignment of correspondents & bureau personnel. Named by CBS as chmn. of a new CBS News Executive Committee was corporate affairs vp Richard S. Salant, who has been a familiar CBS spokesman before various FCC & Congressional hearings.

In his new post, Salant will run a committee (whose members include CBS Chmn. William S. Paley, Pres. Dr. Frank Stanton, CBS News Pres. Sig Mickelson, and CBS-TV Pres. James T. Aubrey) that will make network policy on news & public affairs and speed up the process of planning & scheduling major news specials.

Although the network made no mention of it, observers saw the move as part of a long-range plan put in motion by Pres. Stanton soon after CBS took its convention-rating drubbing from NBC (Vol. 16:32 p8). The first indication that the shakeup was in progress came about a month later when several TV newsmen & news executives were shifted into new posts for the pre-election campaign (Vol. 16:35 p9). Then, as the elections came & went and NBC again took blue-ribbon ratings, the shakeup continued (Vol. 16:50 p5) with another re-alignment of rank & file newsmen. The latest move completes the net effect of a quiet revamp of CBS News from the top echelons on down.

Sig Mickelson remains as operational chief of CBS News, however, with news vp John F. Day as No. 2 man. Any further changes in the news div. lineup, according to the network, will now be announced through Mickelson's office. Meeting NBC's current news strength & the planned expansion of ABC-TV news operations under Jim Hagerty, Mickelson is now, in effect, responsible to a management-level committee above him, and has a re-aligned news team reporting to him.

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**Plane Disaster TV-Covered:** The mid-air collision of 2 planes inbound to N.Y. Dec. 16 brought mobile units from all 3 networks racing to crash scenes in Brooklyn & Staten Island. Late-morning coverage was confined to audio bulletins; live and filmed picture coverage began in the early afternoon as mobile crews established picture contact with news hqs.

Network schedules were quickly juggled to include spot coverage. CBS-TV yanked the originally-scheduled show in its *Eyewitness to History* series (Fri. 10:30-11 p.m.) and substituted a special 30-min. report on the crash, meanwhile scheduling a running series of bulletins & reports. NBC-TV pre-empted its sponsored *Dan Raven Show* (7:30-8:30 p.m.), and scheduled a 30-min. digest of on-the-spot films and tapes of live crash-scene pickups at 8 p.m., having earlier kept viewers up to date with bulletins. ABC-TV, which had aired 12 network bulletins on the crashes prior to 11:30 a.m. with continuing bulletins thereafter, telecast a special mid-afternoon report prepared by its mobile crews.

CBS newsmen Walter Cronkite, who acted as anchor man on a 2:20 p.m. on-the-spot roundup on CBS-TV, revealed during the report at least one good reason why he seemed at times emotionally involved in the accident. He had, he stated, intended to return from a trip to Chicago on the jet that crashed in Brooklyn (a United Air Lines DC-8, flight 826, Chicago-Idlewild), but had at the last minute altered his plans and had returned Dec. 15, missing the fatal collision. (The other plane, a TWA Super Constellation, crashed in Staten Island, N.Y.)

## NETWORK SALES ACTIVITY

### ABC-TV

Oscar Night awards, Mon. April 17, 10:30 p.m.-conclusion, half-sponsorship.  
*Procter & Gamble* (Grey)

Walt Disney Presents, Sun. 6:30-7:30 p.m., part. eff. Jan. *American Chicle* (Ted Bates)  
*Norwich Pharmacal* (Benton & Bowles)

Naked City, Wed. 10-11 p.m., participations eff. Jan. *American Chicle* (Ted Bates)

Adventures in Paradise, Mon. 9:30-10:30 p.m., part. eff. Jan. *American Chicle* (Ted Bates)

Roaring Twenties, Sat. 7:30-8:30 p.m., part. eff. Jan. *Hazel Bishop* (Raymond Spector)

Cheyenne, Mon. 7:30-8:30 p.m., participations eff. April. *Pepsi Cola* (BBDO)

The Islanders, Sun. 9:30-10:30 p.m., part. eff. April. *Pepsi Cola* (BBDO)

### CBS-TV

Inaugural Ball, Fri. Jan. 20, 11:15 p.m.-12 mid., full-spon. *Hanes Hosiery Mills* (J. R. Flanagan)

Miss Universe Contest, Sat. July 15, 10-11:30 p.m., full-sponsorship.  
*Procter & Gamble* (Grey)

Guy Lombardo New Year's Eve Party, Sat. Dec. 31, 11:15 p.m.-12:15 a.m., full-sponsorship.  
*Chock Full O'Nuts* (Grey)

Daytime programming, Mon.-Fri., participations eff. Jan. 19 & Feb. 1 respectively.

*Binney & Smith* (Chirurg & Cairns)  
*Rainbow Crafts* (Joseph C. McVicker)

### NBC-TV

A String of Beads, Tue. Feb. 7, 10-11 p.m., full-sponsorship.  
*Stephen F. Whitman & Son* (N.W. Ayer)

Laramie, Tue. 7:30-8:30 p.m.; Outlaws, Thu. 7:30-8:30 p.m., participations eff. spring 1961  
*Mennen* (Grey)

Tales of Wells Fargo, Mon. 8:30-9 p.m., half-spon. eff. Jan. *Beech-Nut Life Savers* (Young & Rubicam)

Daytime specials, full-sponsorship of 2 more programs, eff. last half of 1960-61 season.  
*Purex* (Edward H. Weiss)

NBA basketball games, Sun. afts., participations eff. Jan. 8. *General Mills* (Knox Reeves)

Bonanza, Sat. 7:30-8:30 p.m., participations eff. Jan. 1. *Pillsbury* (Campbell-Mithun)

Michael Shayne, Fri. 10-11 p.m.; Americans, Mon. 7:30-8:30 p.m., participations eff. Jan. 1.  
*Dow Chemical* (Norman Craig & Kummel)

Daytime programming, participations eff. Jan.  
*Dow Chemical* (Norman Craig & Kummel)  
*Toni* (North)  
*Simoniz* (Dancer-Fitzgerald-Sample)

Saturday Prom, Sat. 5:30-6 p.m., participations eff. Jan. 14. *Beech-Nut Life Savers* (Young & Rubicam)

ABC has signed Alex Dreier to a 5-year contract effective Jan. 1. The newsman had been in a feud with NBC Chicago officials, charging they harassed him. He had planned to sever his 20-year association with NBC at the end of the year, but discovered Dec. 12 that NBC's Chicago o&o WNBQ, was running a newspaper ad announcing another newscaster for Dreier's regular 10 p.m. news show. Dreier is expected to handle ex-news vp John Daly's ABC radio news and TV news specials.

**CBS REGAINS NIELSEN HONORS:** After zig-zagging up & down this season like a fever chart, Nielsen audience levels swung last week in favor of CBS in the 2nd of Nielsen's Nov. NTI reports. Back into 3rd place nationally went ABC, which had taken top honors in the previous report (Vol. 16:48 p12). NBC took 2nd place.

The AA scorecard: CBS—19.9; NBC—19.0; ABC—17.8. Period covered: the 2 weeks ending Nov. 20.

As usual, network researchers had handy explanations of why the losers lost & the winners won. NBC, for example, had been quick to point out that ABC's high score in the 1st Nov. NTI came at a time when NBC & CBS were loaded with low-rated paid political shows. ABC, on the low end of the ratings totem in the latest NTI, was quick to tell us that NBC's strong AA level was bolstered by NBC's election-night rating success, as indeed it was.

NBC's Huntley-Brinkley marathon Nov. 8 proved a real audience hit in NTI, drawing a 32.5 for the average 30-min. segment of the multi-hour coverage. This put NBC's election coverage in 3rd place nationally for the 2-week period, topped only by *Wagon Train* (34.4) and *Gunsmoke* (38.8). ABC quickly ran up a set of figures to show how the standings would have been if Nov. 8 ratings were dropped out of the total picture. Result: ABC was in 2nd place nationally on this theoretical basis.

Most researchers still agreed that the rating report that will really tell the story is the 1st of the Dec. NTI studies, because nighttime programming will have gone back to "normal" with no political-program upheavals.

Big daytime ABC sales spurt was reported by that network last week. According to ABC-TV daytime sales vp Edward Bleier, new & renewed business signed in the 4-week period ending Dec. 9 totaled a whopping \$7.5 million. As a result, ABC's daytime (11 a.m.-5 p.m.) schedule is now "84% sold out for December & the first quarter of 1961," stated ABC vp for network sales William P. Mullen. The sales level, both executives added, is now "60% ahead of last year," with rating gains "averaging 20% to 50% ahead." The number of daytime sponsors has climbed at ABC in the past 6 months by 110% to a new total of 77 clients. These include 6 "charter" advertisers (Lever Bros., Armour & Co., Johnson & Johnson, General Foods, Gillette Co. and its Toni Co. div., and Beech-Nut Life Savers Inc.) who bought into ABC's original daytime schedule before it went on the air.

NBC's \$2.5-million ad account is being switched, effective March 15, to McCann-Erickson from the Grey agency, where it has been for nearly 7 years. In announcing the move, NBC Pres. Robert E. Kintner also stated that Mc-E. pres. Emerson Foote, one of the original partners in Foote, Cone & Belding, will supervise the account. Grey, retains the RCA Victor Record div. account. The agency's decision to resign the account was made, a Grey employee circular stated last week, in the interest of "continuing growth." NBC gave no reason for the move, although some felt that Grey's position as agency for Westinghouse TV-radio products may have had something to do with it.

New head for BBC's TV operations was appointed in London last week. He's BBC program controller Kenneth Adam, who will succeed retiring Gerald Beadle as dir. of TV bestg. in June. Beadle, who has been with BBC for 38 years, will continue his association as a consultant. Replacing Adam in his present post will be Stuart Hood, deputy editor for news & current affairs.

## Advertising

**Rising Ad Costs:** TV shows up to advantage in contrast to print media, in the Dec. 9 *Printer's Ink* analysis of how media rates have risen since 1959.

Although the 1960 advertiser has had to increase his spending by 4.7% to maintain his 1959 schedule, the real increase to him has been only 2%. This is because, while rates have risen, so have audiences.

And this is the factor that makes 1960 network & spot TV look so good in the study. For, although both media are up in cost, they are up larger percentages in audience. This has resulted in a net decrease of 4.5% and 1.3% respectively for the advertiser.

Magazines & newspapers on the other hand are up in cost more than they are in circulation, leading to a 1960 real increase in cost to the advertiser of 6% and 3.7% respectively.

The *PI* study also contains a projection of how much more 1961 advertisers will have to spend to maintain 1960 schedules. Here are the figures:

	Change: 1959 to 1960			
	in Rates	in Audiences	in Real Cost	Cost of 1960 Schedule in 1961
Network TV	up 2%	up 6.8%	down 4.5%	up 5%
Spot TV	up 5.4%	up 6.8%	down 1.3%	up 5-8%
Network Radio	down 1.1%	no change	down 1.1%	little change
Spot Radio	up 1.7%	no change	up 1.7%	up 2%
Magazines	up 7.8%	up 0.18%	up 6.0%	up 6%
Newspapers	up 3.8%	up 0.15%	up 3.7%	up 3%

**Ad People:** George Haight resigns as senior vp, M-E Productions, McCann-Erickson TV-radio affiliate . . . Harmon O. Nelson named best. dir., MacManus, John & Adams Western div. . . Kenneth S. Olshan, F. Richard Olsen, John S. Rothschild appointed asst. media supervisors, Doherty, Clifford, Steers & Shenfield . . . Helmut Krone, William Taubin, David Reider, E. B. Weiss, Dorothy Parisi named Doyle Dane Bernbach vps.

Wilson A. Shelton appointed Compton exec. vp . . . Donald E. Leonard named Fuller & Smith & Ross vp.

Sindlinger announces that starting Dec. 25, his research firm is expanding its TV Activity Service to a daily, every day-of-the-month basis and that, during Jan. & Feb., new auto-buying plans & ownership, by make, will be determined for teh audiences of 126 network TV programs.

Largest percentage of space buyers (38.9%) presently earns under \$7,500 a year, reveals *Sponsor's* latest survey. Lady space buyers have 55.5% of their number in this earnings category. Only 25.7% of male space buyers earn in excess of \$10,000 annually (6.9% of female space buyers). Also, 84.6% of the men think they are underpaid.

Sexed-up movie trailers on TV, listed at NAB's fall conferences (Vol. 16:42 p9 et seq.) as one type of bad-taste commercials which broadcasters should spurn, will be discussed again at an NAB-MPAA meeting in N.Y. this week.

### U.S. Station Rate Increases

Stations	Base Hour	Minute	Date
WTG Washington .....	\$2000 (no change)	\$160 to \$200	1
WCCO-TV Minneapolis ....	1700 to \$1900	450 to 475	2
KCRA-TV Sacramento ....	1200 to 1300	300 to 330	Dec. 1
KAKE-TV Wichita .....	700 to 824	165 to 195	Nov. 1
KHVH-TV Honolulu .....	450 to 600	110 to 160	Dec. 1
KTWO-TV Casper, Wyo. ..	150 to 200	40 to 50	1

<sup>1</sup>Not reported. <sup>2</sup>20 Sec. only.

**Aid to Ad Planners:** A helping hand to admen was offered on 2 related creative fronts last week. The Committee for Improvement of Advertising Content, organized recently by ANA and 4A as a self-regulatory process (Vol. 16:49 p14), voted to offer to all ad media the chance to register their complaints concerning "objectionable" advertising. Media members are to forward their ad criticisms through their respective media associations.

The National Centennial Commission, which will ride herd on observances of the forthcoming 1961-65 commemoration of the Civil War, offered the services of a special advisory committee to executives planning Civil War ad tie-ins. The committee, according to commission chmn. Maj. Gen. U.S. Grant 3rd, will direct the queries of admen to acknowledged authorities on the Civil War and will help advertisers to avoid offending still-delicate public feelings.

On the TV front, commission exec. dir. Karl S. Betts hopes to improve a currently poor situation—several Civil War TV series having been planned, but most having been abandoned for lack of sponsor support before they were started—with the exception of Westinghouse Bctg. Co.'s *The American Civil War*, syndicated 30-min. series.

Bert & Harry may be down, but they're not out. Ever since Piel Bros. and Young & Rubicam admitted that the beer-selling cartoon duo was headed for advertising limbo after 4 years of soft-sell in Eastern-U.S. spot TV (Vol. 16:49 p13), there's been a shower of protesting letters & phone calls to the brewing company. Goulding-Elliott-Graham (the production firm which turned out the animated spots, often with only minor liaison with Y&R) has been urged by other TV executives to turn the pair into a cartoon situation-comedy series, à la ABC-Screen Gems' *The Flintstones*. G-E-G, which tried to peddle a cartoon series based on a movie-spoofing cartoon pilot called *Test-Dive Buddies*, is "considering" the idea. Meanwhile, Piel Bros. is weathering the same kind of how-did-we-ever-get-into-this? storm that was once experienced by Sir Arthur Conan Doyle when, quite inaccurately, he felt he had disposed of Sherlock Holmes forever by having Prof. Moriarty push him into the Reichenbach Falls.

Liaison group to work with reps has been created by RKO General and will be headed by Robert J. McNamara, formerly of Peters, Griffin, Woodward. It won't be station-group-owned (as in those of Storer and Westinghouse Bestg. Cos.). McNamara, who will report to Hathaway Watson, RKO General bctg. vp in N.Y., will function as dir. & coordinator of a special sales team of national sales mgrs. The team's main target will be major national advertisers & agencies, but actual billing will be handled through reps. Also named to the new sales team is Robert Wilke, as dir. of corporate sales relations.

Hollywood Advertising Club has received nearly 400 entries thus far in its first International Broadcasting Awards for TV & radio commercials. Responses have arrived from England, New Zealand, Mexico and Canada, and other countries are expected to enter before the Dec. 31 deadline. The group has received over 1,000 postcards indicating interest in the competition. The awards will be presented Feb. 7 at the Moulin Rouge in Los Angeles. Don Estey is gen. chmn.

New reps: WLUK-TV Green Bay, Wis. and WLUC-TV Marquette, Mich. to Young Dec. 1 from Hollingbery • KVOO-TV Tulsa to Petry Jan. 1 from Blair TV Associates • WCNY-TV Watertown, N.Y. to Bolling Jan. 1 from Weed.

## Congress

**'HOODLUMS' & TV FIGHTS:** All participants in interstate boxing business—including closed-circuit TV promoters & networks as well as match-makers & fighters' managers—would be subjected to federal licensing authority, under terms of legislation proposed last week by Sen. Kefauver (D-Tenn.).

Winding up the second week of boxing hearings by his Senate Judiciary Anti-Trust & Monopoly Subcommittee, Kefauver said he had heard enough to convince him that a new govt. commission definitely is needed to take racketeering out of professional fights (Vol. 16:50 p3).

Kefauver had hesitantly suggested establishment of such a federal agency earlier in his Subcommittee's investigation. At last week's end, after listening to underworld character Frankie Carbo take the 5th Amendment when asked about gangsters' ring operations, Kefauver said he planned to introduce a fight-licensing bill after Congress convenes in January. The hearings will be resumed then.

Kefauver emphasized that closed-circuit fight promoters should be covered by any such legislation, pointing out that testimony showed they aren't required now to meet any legal standards. He said his bill would propose: (1) Establishment of a temporary Federal Boxing Commission. (2) Criminal penalties for persons or corporations participating in interstate matches without a license. (3) Criminal penalties for participation in a bribe offer.

"I do not envisage a permanent federal body," Kefauver said. "I will urge that its life be confined to 3 years unless dire necessity proves the need for continuance. It would be hoped [that] the hoodlum element would be eliminated and that state commissions would be in a better position to resume control."

Kefauver added that unless federal regulation of boxing is set up, "the sport might very well pass from the American scene. Racketeers & hoodlums who infest boxing must be eliminated."

Final FCC-TV-radio report by House Commerce Legislative Oversight Subcommittee, which ends its headlined career in January (Vol. 16:49 p6), was drafted Dec. 16 in an all-day closed session. The report is expected to review this year's payola hearings and outline a series of additional legislative recommendations—including proposals for regulating networks and curbing trafficking in station licenses, among other things. Subcommittee Chmn. Harris (D-Ark.) indicated release of the staff-prepared report would be delayed by further rewriting & editing, but that it might be ready before Christmas.

**FCC party poopers:** Biggest Christmas parties given for FCC personnel in Washington—Westinghouse's & Motorola's—are kaput this year. Approached by potential hosts, Commissioners politely declined. Reason, of course, is that the Commission wants to avoid any possible criticism for "fraternizing with the industry"—having suffered enough from it. Traditionally, the 2 companies invite just about everyone at the Commission, including the youngest GS-2 clerk-typists.

Unique broadcasting team of Pa. Sens. Scott (R) & Clark (D) will be featured on home-state TV & radio for the 3rd straight season starting after Congress convenes next month. Their twice-monthly taped shows—in which Scott & Clark debate, answer questions, interview guests—will be carried by 7 TV & 20 radio outlets.

## Stations

**NEW & UPCOMING STATIONS:** KEZI-TV (Ch. 9) Eugene, Ore. began programming with ABC-TV Dec. 19, becoming the 24th new outlet to begin operation in the U.S. this year. Its start is counteracted by the demise of KNBS (Ch. 22) Walla Walla, Wash., which notified FCC it discontinued operation Dec. 14 because of bankruptcy, after being on the air since last January (Vol. 16:2). This leaves the on-air grand total standing at 579, but operating uhfs decline to 91.

KEZI-TV has a 10-kw GE driver and 35-kw amplifier as well as a 200-ft. tower from Tower Sales Erecting Co. on Coburg Ridge. Studios are at 2225 Coburg Rd. Principal owners are orchard operator Donald A. McDonald, pres. & 35.36% stockholder; Dr. C. E. Carlson, vp & 17.4%; auto & real estate dealer Julio William Silva, treas. & 17.4%; Elizabeth M. Silva, 17.4%; biologist Durward L. Boyles, 8.7%. Marvin A. Krenk, ex-KVAL-TV Eugene, is gen. mgr.; Ron Ogle, program dir.; Leo Reetz, ex-KOAC-TV Corvallis, chief engineer. Base hour: \$396. Rep: Meeker.

More about piggy-back satellites: First Canadian piggy-back operation started in Nova Scotia Nov. 24, 1958 when CBHT-1 (Ch. 12) Liverpool began repeating CBHT (Ch. 3) Halifax and then relayed programs to CBHT-2 (Ch. 8) Shelburne. The following Dec. 20, CBHT-3 (Ch. 11) Yarmouth began repeating the Shelburne signal. According to the CBC engineering dept. CBUAT-1 Nelson isn't a piggy-back operation as reported (Vol. 16:49 p11), because it picks up CBUAT Trail, which gets its programming directly from the microwave network rather than repeating signals of CBUT Vancouver.

New Armed Forces station at Roosevelt Roads Naval Station, Puerto Rico, received an okay from FCC last week when it told the OCDM it had no objection to the construction of a 10-watt Ch. 8 facility. The Commission said the approval is subject to reconsideration if at any time it appears that the station would "impede the orderly development of private TV broadcasting or otherwise contravene the public interest." The station will be vertically polarized, carry no commercials.

FTC payola charges have been filed against 3 Hollywood businessmen—Herbert Newman, Louis J. Bedell and Max Newman—who were co-partners until May 1959 in Era Records. The FTC complaint said that the 3, who now manufacture records under separate corporate entities, made under-the-turntable payments to TV & radio disc jockeys or other station personnel.

It's only one chance in 10 that the set owner needs a new picture tube when he calls in the repairman. Two-thirds of the time it will be the more economical job of replacing a receiving tube. This at least, is what set-owners' replies added up to in the Psychological Corp.'s recent survey of 1,770 TV-owning households. (For more details, see page 15.)

Price of \$1,440,000 was paid for KGUN-TV (Ch. 9) Tucson by owners of WEHT (Ch. 50) Evansville, Ind. in their deal with H. U. Garrett & his associates (Vol. 16:45 p10), according to terms of the sale approved by FCC.

Sale of radio KIMN Denver by Cecil L. Heftel to John C. Hunter and Associates (Vol. 16:43 p11), plus \$155,000 to Heftel for an agreement not to compete for 7 years within 50 miles, has been approved by FCC.

**Huge KSWS-TV Tower ToppleS:** The 1,610-ft. tower of KSWS-TV (Ch. 8) Roswell, N.M., one of the world's tallest structures, toppled in a freak windstorm Dec. 8. It crashed into the transmitter & generator buildings, injuring Walter H. Campbell, engineer from Commercial Radio Monitoring Co., Kansas City. He suffered a badly broken knee, according to station owner John A. Barnett. Three other engineers escaped injury "miraculously," he said. Two dove under a workbench and the other squeezed against one of 3 control panels.

Barnett said that "practically everything in the buildings was demolished." In addition, the crash damaged 2 of the 3 houses maintained at the site, 2.5 miles S of U.S. Highway 380, near Caprock. The 14 people in the houses, families of the engineers, were unhurt. Barnett estimated the damage at "several hundred thousands of dollars." He said he expects to resume telecasting with temporary equipment in Roswell Dec. 20 or 21. Freakish nature of the storm was illustrated, he said, by the fact that utility poles in the area were sheared off.

\* \* \*

**Explosion & fire wrecked radio WICO Salisbury, Md.** Dec. 15 after the station had gone off the air for the day. The blast, believed to have occurred in the station's gas heater, ripped studios & offices in the one-story plant. Pres. Robert C. Boyle noted that the transmitter is not located in the building, said the station would be back on the air when studio equipment could be replaced.

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**TV-radio scholarships** are among grants totaling more than \$60,000 which will be offered next year to Boston U. graduates & undergraduates by the School of Public Relations & Communications. Included: 15 educational WGBH-TV & 1 WGBH-FM Boston graduate scholarships, providing \$1,500 for the calendar year; 3 radio WBUR-FM Boston graduate assistantships for \$1,800 plus tuition; Bestg. Executives Club of New England's Harold E. Fellows Memorial scholarship, providing \$500 for a year of graduate study in broadcasting; Tarlow Associates Radio Stations \$250 scholarship for an outstanding senior. Details & applications are available from Dean Melvin Brodshaug, Boston U. School of Public Relations & Communications, 640 Commonwealth Ave., Boston 15. Deadline: March 1.

Colleges & universities offering TV-radio degrees are listed in the *Journal of Broadcasting* quarterly (fall 1960 issue). This, the publication's 5th annual survey of the field, shows 96 schools (7 more than last year) now offering broadcasting education leading to a degree, and 49 others offering broadcasting courses without degree. The *Journal* is published by the Assn. for Professional Bestg. Education, U. of Southern Cal., University Park, Los Angeles.

**TV workshop for viewers** is provided by WJRT Flint as an in-studio course in the city's adult-education program. The workshop, which begins its 3rd year with the winter semester, is instructed by production mgr. Ray Schwarz and other WJRT staffers. The course acquaints the students with over-all station operation, instructs them in the planning & production of TV commercials & programs.

**TV-radio editorial campaign**, seeking approval by state legislatures of a Constitutional amendment to grant D.C. residents the right to vote for President & Vice President, has been started by radio WWDC Washington. Fact sheets & suggested editorial material on the franchise issue have been sent to 300 stations by WWDC Pres. Ben Strouse,

## Auxiliary Services

**CATV LEGISLATION (cont.):** FCC is about ready to make its recommendations to Congress with respect to CATV regulation (Vol. 16:50 p9). However, a final vote hasn't yet been taken.

The latest proposed legislation is broad. It would allow the Commission to do whatever it considers necessary to preserve a locally-originating station, in an area served by a CATV, while at the same time protecting the public's right to receive as many signals as possible. With such a law, FCC would be free to weigh each station-CATV conflict on a case-by-case basis.

If Congress goes for this approach, stations & CATV would get half a loaf each—with a chance to convince the Commission they're entitled to more in their specific cases.

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**Taboo Taverncasts:** Yankee enterprise notwithstanding, you can't rig up a trick antenna that'll pick up an otherwise-blacked-out pro football game in your area, and then use it as an advertised come-on for paying guests in your place of business. That's the gist of a precedent-setting injunction granted Dec. 16 in N.Y. to CBS-TV and the N.Y. Football Giants in a suit against the Circle Bar & Grill Inc. of Wayne, N.J. In effect, the injunction recognizes definite property rights in a TV program which contains no material protected by statutory copyright.

What had happened to cause the ruckus? Operators of the Circle Bar & Grill had installed a special antenna-&-booster system this fall capable of picking up Philadelphia & Hartford stations. Then, when a Nov. 20 game was scheduled between the Giants & the Philadelphia Eagles at Yankee Stadium in N.Y. (with N.Y. stations blacked out), Circle ran ads in local papers advertising a \$2.50 buffet lunch and (in small print) inviting customers to see the game. On Nov. 27, when the Giants played the Eagles again at Philadelphia's Franklin Field, Circle's proprietors set up their TV system in Camden's Convention Hall and charged admission.

A temporary injunction had been issued on Dec. 9 by Judge John C. Grimshaw of Superior Court, Hackensack, N.J., restraining the tavern from continuing its practice. The Dec. 16 action made the cut-it-out order official. CBS and the N.Y. Football Giants did not state any plans to follow up their preliminary victory with further action.

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**TV teacher training** via closed-circuit system is a success at N.Y.'s Hunter College, announced dir. of teacher education Dr. Herbert Schueler. The project, begun last January under a National Defense Education Act grant, links 6 classrooms of Hunter's elementary school for gifted children with 3 college classrooms on the same floor, enabling instructors to observe student teachers at work.

**Pay-TV oral argument** was turned down by FCC last week, as expected. It rejected a petition of the theater owners. It granted all parties 10 days within which to file replies to each others' briefs (Vol. 16:49 p2). The Commission also turned down theater owners' petition to rebut the testimony of NAB TV vp Charles H. Tower.

Rambler's 1961 sales program was outlined to American Motors Corp. dealers & sales mgrs. in 35 cities Dec. 15 in a closed-circuit show produced by NBC telesales in conjunction with Geyer, Morey, Madden & Ballard agency. Host was American Motors Pres. George Romney.

## The FCC

James M. Landis missed his Dec. 15 deadline for submitting his analysis of federal regulatory agency problems to President-elect Kennedy (Vol. 16:50 p6). Holed up in temporary Washington offices in a converted house at 1707 N St., NW (not far from NAB hq), he tried to finish his report in time, but at last week's end he advanced the schedule delivery date to Dec. 19 or 20. Landis may fly to Palm Beach to deliver the document personally to Kennedy, who will then decide if & when it will be released publicly. Landis said he wouldn't disclose details of the report, which is expected to call—at least—for careful selection of heads of such agencies as FCC and for establishment of an overall overseeing administrative office. Landis probably will continue to work with the incoming Democratic administration as an advisor on agency policy issues, but he has scorned suggestions that he is a candidate for "czar" of the agencies or for any other govt. payroll job. Meanwhile, Rep. Thomas (D-Tex.), who handles regulatory agencies for the House Appropriations Committee, gave Kennedy some of his own ideas about what should be done about them. In a talk with the President-elect, Thomas said Commission members should work harder and that decision-making processes should be speeded up.

**Protest against stock transfers** by WJPB-TV Weston, W.Va., filed by WSTV Inc. (Vol. 16:13 p16), should be denied, according to an initial decision by FCC examiner Herbert Sharfman. The protestant, operator of WSTV-TV Steubenville, O., WBOY-TV Clarksburg, W.Va., etc., charged that there was a long & deliberate delay in the reporting to the Commission of the acquisition of 45% by Thomas P. Johnson and 5% by George W. Eby. In a 29-page decision, Sharfman concluded that the protestant proved a portion of its charges but said that "it would be a drastic sanction indeed" to rule against WJPB-TV "because of the implications of a denial on the general right of WJPB-TV to retain the authorization." Also to be considered, he said, "is the increased awareness of the requirements of the Commission reporting and the assurance of future compliance."

**Expansion-minded Fla. ETV Commission** is pressing for an extension of its ETV network, already the largest in any state (Vol. 15:3 p4). It has asked FCC to reserve 13 uhf channels for possible ETV stations in Florida and has filed with the state legislature a 1961-63 budget of \$1,660,750 to expand the current 5-station network. Included in the budget are funds for construction of a vhf educational station on Ch. 11 at Orlando. Commission Chmn. Judson Freeman says the vhf station plus 2 uhf outlets can be on air by 1963, assuming availability of funds.

**Grant of Ch. 2, Portland, Ore.** to Fisher Bctg. Co., and denial of Tribune Publishing Co., was indicated by FCC last week as it instructed the staff to draft a decision affirming a Dec. 1959 examiner's recommendation. Fisher Bctg. ownership interlocks with KOMO-TV Seattle. Tribune Publishing operates KTNT-TV Tacoma-Seattle.

**TASO's 210-page supplementary report**—covering analysis & theory and the results of directional antenna tests—is now available in printed form for \$10 from exec. dir. Dr. George R. Town, 104 Marston Hall, Iowa State U., Ames, Ia. The report was given to FCC on June 13.

**Bay Video Inc.** was lined up for a Ch. 13 grant in Panama City, Fla. last week when FCC examiner Elizabeth C. Smith recommended approval after competitor withdrew.

## Programming

CBS lost \$20 million last year on informational & public-service telecasts; will probably top that figure in 1960. So said CBS news administrative vp Robert Lang last week in N.Y. to the Academy of TV Arts & Sciences. He added that the average network salesman has no conception of how to sell public-service programming. At the same session, David Burke, institutional programs mgr. for General Electric, pointed to one measure of reward for commercial sponsorship of public-affairs shows. GE, he stated, received more than 10,000 viewer letters of approval when it recently sponsored a one-shot education special, "The Influential Americans." The encouragement, he added, has given "a new perspective" to GE for 1961-62 program planning.

TV gives "greatest pleasure" among leisure activities, outranking movies & play-going by a wide margin. Pulse Inc. reported that fact last week on the basis of a N.Y.-area poll made in October among 500 men & women. Of those interviewed, 50% gave TV top leisure-time honors. Runners-up were movies (16%) and Broadway shows (10%). TV, however, was outranked by newspapers (37%) and books (28%) from the viewpoint of "education & information," with TV drawing a 24% score. A paradoxical inconsistency in the study: 77% of the respondents were of the opinion that the family members who would miss TV most were those in the 6-to-11-year age bracket.

Plans for TV festival to be held in N.Y. & Washington next fall under National Academy of TV Arts & Sciences auspices are moving ahead. The 3 TV networks have each agreed to donate \$25,000 to the international event. John Walsh has been appointed exec. dir. of the festival, and publicity man Tex McCrary has been named festival committee chmn. TV festivals (or cultural festivals that will include TV) are also planned by other groups for 1961 in Switzerland and the principality of Monaco.

Cliff-hanger technique will be tried by *Have Gun, Will Travel* for the first time in the Western's 4 seasons. Part one, which will actually be the first half of a 60-min. Western, is scheduled for Jan. 7, with the concluding episode Jan. 14. The drama is by Harry J. Fink, Buzz Kulik directing.

Drama treating the controversial problem of school integration in the South is under consideration by NTA for *Play of the Week*'s 1961-62 season. The play is "Black Monday," by Reginald Rose, who hopes the TV airing will be a prelude to a Broadway production. Original dramatists haven't been attracted to *Play of the Week* largely because of the small financial return (\$2,000).

WTWJ Miami is urging its viewers to buy Christmas toys for the 10,000 Cuban refugee children in South Florida. Manolo Reyes and Mike Alonso of the station's Spanish-language news program originated the campaign, which by last week had netted more than 2,000 toys. Cuban refugee agencies in the area will distribute.

Average rating of the 50 shows canceled last year was 13.9, reports Nielsen (1958: 16.4 average rating for 42 canceled shows. 1957: 15.8 average for 45 canceled shows). Accenting the positive, 71 shows were continued in 1957 with a 23.7 average rating; 69 shows in 1958 with a 22.9 average; and 64 shows in 1959 with a 22.0 average.

WFAA-TV Dallas's first live telecast from its new \$3.5-million studio (Vol. 16:30 p7) will be the Jan. 15 debut of *Young America Speaks*, which the station hails as "the first intercollegiate debate tournament ever televised."

## Television Digest

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**Personals:** Terry Lee promoted from vp-managing dir., WAGA-TV Atlanta, to TV regional vp, Storer Bestg. Co. . . . Barry MacDonald named dir. CBC corporate affairs policy section.

Bob King, ex-KSWO-TV Lawton, Okla., appointed vp-gen. mgr., WTVF Decatur, Ill. . . . Mrs. Edward Harvey Long named vp-treas., Huntington Publishing Co. (WSAZ-TV & WSAZ Huntington-Charleston, W.Va.) . . . Bess Myerson, *I've Got a Secret* panelist and Ajax TV commercials saleswoman, appointed sales-promotion dir., M. C. Schrank Co. (pajama manufacturer). She will continue her TV activities . . . Reg Miller, national sales mgr., KOMO-TV Seattle, elected a vp, World Affairs Council of Seattle . . . Ervin T. Melton, news dir., WBTV Charlotte, N.C., named pres., Carolinas Press Photographers Assn.

Donald G. McGlathery appointed sales mgr. & operating head of the new Nielsen Media Service, which will measure TV & magazine audiences in the same national panel for direct comparison of the 2 media (Vol. 16:39 p12) . . . Mrs. A. Scott Bullitt, pres. of the Crown Stations (KING-TV & KING Seattle, KGW-TV & KGW Portland, KREM-TV & KREM Spokane) named one of the "10 Outstanding Citizens of Puget Sound" for 1960 by *The Argus*, Northwestern journal . . . Mel Pierce, ex-KHJ-TV Los Angeles, named mdsg. dir., KTLA Los Angeles.

### Obituary

Ernest D. Herider, 53, engineer in FCC's Frequency Allocation & Treaty div., died in Washington Dec. 14 of a massive cerebral hemorrhage. Native of Indianapolis, he had worked for several stations before joining the Commission as a radio-monitoring officer in Lexington, Ky. in 1940. He transferred to the Frequency Allocation & Treaty div. in 1956 after handling broadcast matters—AM, TV, renewals & transfers. His wife survives.

Ralph Berger, 56, head of Desilu Productions art dept., died of a heart attack in Hollywood Dec. 12. His art direction on Desilu's *The Untouchables* won an Emmy last spring. His wife and 2 sons survive.

John Charles Thomas, 69, popular radio, opera and concert-stage baritone, died Dec. 13 of cancer at his home in Apple Valley, Cal. For a time he managed radio KAVR Apple Valley, Cal. He is survived by his wife.

Grants totaling \$5,500 have been made by the CBS Foundation to 6 privately supported colleges & universities from which CBS women employes have graduated. Begun in 1956, the plan grants the employes' college \$1,000 after 15 years of CBS service and \$500 after each additional 5 years. Latest grants: \$1,500 given to Columbia U. on behalf of May M. Dowell, CBS News special projects mgr.; \$1,000 to Bryn Mawr, Long Island U., and Russell Sage for Alice Weel, TV news writer, Sherley Abrams, special projects librarian, and Winifred Williams, secy. to CBS Pres. Dr. Frank Stanton. Conn. College for Women and Eastern Nazarene College received \$500 on behalf of Emma Schaumann, Columbia Records accounts supervisor, and Olive Tracy, CBS radio graphics presentation specialist.

Alexander Guterman's legal saga continued last week, with 3 alleged business associates of the imprisoned financier pleading innocent to the Federal Court charge of violating the anti-fraud & registration provisions of the 1933 Securities Act. Involved in the govt.'s running affair with Guterman (Vol. 16:30 p9 et seq.) were Paul M. Hughes, asst. to the pres. of Lionel Corp., John Ehrlich and Rolando J. Pepe. The govt. is seeking to prove, on the basis of an indictment by a federal grand jury, that Guterman and his associates fraudulently sold 350,000 shares of Western Financial Corp. common (now bankrupt). Guterman himself, now under sentence in Atlanta Federal Penitentiary, has already pleaded innocent to the same charge. Jan. 16 has been set as the date for hearings on motions in the case.

Fred Knorr, Mich. radio station operator & part owner of the Detroit Tigers, was reported recovering well from 2nd & 3rd degree burns suffered Dec. 9 when he fell into a bathtub of scalding water in a Ft. Lauderdale hotel while there on business. His wife said that he hit his head, was knocked unconscious, remained in the tub until a friend found him there. Knorr is 47, owns WKMH Dearborn, WKHM Jackson, WSAM Saginaw, WKMF Flint, part of WELL Battle Creek.

Harold C. Stuart, pres. & 12% owner of KVOO-TV Tulsa, and 1948-51 Asst. Air Secy. under Stuart Symington, is reportedly set to be named Secretary of the Air Force.

### Technology

Jet-powered underwater TV camera that can be operated remotely to depths of 300 feet has been developed by Edwin A. Link, inventor & producer of the famed World War II Link air trainer, and 2 associates. The deep-sea TV camera, named "The Shark," has been assigned patent 2,963,543. It is granted to Link and co-investors Gunne Lowkrantz & Karl A. Kail, long-time associates in Link Aviation Inc., now a div. of General Precision. The underwater scenes recorded by the camera are transmitted by cable to a TV set aboard ship for direct viewing or taping.

Bi-directional TV distribution system which allows transmission of video signals in 2 directions simultaneously over the same cable network has been announced by RCA, which termed it "a major advance in the distribution of ETV signals to classrooms." Explained consumer-products service div. vp L. G. Borgeson: "This represents a basic advantage over conventional distribution systems since it permits closed-circuit material to be introduced into the system from any classroom, while enabling reception of off-the-air TV signals. This means that one part of a school can receive closed-circuit programming at the same time another part is receiving off-the-air telecasts."

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**NEW COLOR TUBE FROM RCA NEXT MONTH:** RCA confirmed for first time last week that it will be using an improved color tube in some of its sets slated to hit distribution channels next month. The company showed 12 new color models to distributors last week, and, in response to our question, said:

"Certain color models which we will be shipping to our distributors around the first of the year will use a new tube." No details were given, but we reported in these pages Oct. 24 & Nov. 28 (Vol. 16:43 p16, 48 p16) that the tube uses new phosphors and a Pittsburgh laminated implosion plate to increase brightness & improve contrast. It's understood that tube will be of the same 21-in. round shadow-mask type as is the current RCA color tube.

Other improvements in RCA color sets include use of sensitive New Vista tuner (with Nuvistor tube) in all 12 new models, new video peaking & vertical deflection circuits, circuit-breaker in place of fuse. RCA also showed 15 new 23-in. black-&-white sets, 13 of them featuring New Vista tuner. (For details, see p. 13).

**MAJOR SET-MAKERS DROP FANCY 'FINISH' TAGS:** In quiet & unreported negotiations with FTC lawyers, 9 big TV-radio-phono manufacturers have promised that from now on they'll label their sets so clearly that no buyers will mistake metal or hardboard cabinets for wood.

FTC stipulations against any deceptions in descriptions of wood-simulating cabinet finishes were signed simultaneously by Admiral, GE, RCA, Motorola, Westinghouse, Emerson, Philco, Sylvania and Zenith.

"These actions could not have been accomplished without the manufacturers' cooperation & their willingness to discontinue objectionable practices without time-consuming & costly litigation," said FTC chmn. Earl W. Kintner in announcing agreements Dec. 15. No formal anti-deception complaints against manufacturers had been filed by FTC, and stipulations didn't mean companies admitted they violated any law.

Banned under terms of stipulations are such traditional trade tags as "mahogany-grained finish" & "blond oak-grained finish" for cabinets made of metal or hardboard but dressed up to look like wood. FTC said 8 of 9 makers—Zenith excepted—has used these terms.

All 9 companies conceded that they had failed to label sets adequately to disclose true composition of non-wooden cabinets. And all agreed in stipulations to "label or tag properly cabinets which so closely resemble wood as to have the capacity to deceive the public as to their true composition."

Stipulations are good for industry as well as public, FTC's Kintner said. He pointed out that they not only will enable set purchasers to know just what they're getting for their money, but will prevent one manufacturer from gaining unfair competitive advantages over others.

**TV-RADIO PRODUCTION:** EIA statistics for the week ended Dec. 9 (49th week of 1960):

	Dec. 2-9	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	110,386	91,649	147,985	5,508,967	6,027,018
Total radio .....	384,279	400,179	367,234	16,375,660	14,725,906
auto radio .....	112,297	117,134	138,659	6,142,216	5,174,994

Canadian TV sales to dealers slumped in October to 44,812 units from 56,410 a year ago and 46,944 in Sept. 1960 (Vol. 16:47 p20), reports EIA of Canada. The year-to-date volume increased to 275,911 TVs, but trailed markedly the 327,632 units sold during Jan.-Oct. 1959. The

10-month breakdown (1959 figures in parentheses): Portables, 51,852 (56,385); table models, 55,952 (85,537); consoles, 154,478 (175,077); combinations, 13,629 (10,633). For Oct. (vs. Oct. 1959): Portables, 8,476 (9,548); table, 8,721 (15,907); cons., 24,815 (29,151); comb., 2,800 (1,804).

**EIA SEES \$10.3-BILLION 1961:** Electronics business will advance another 6% next year to a \$10.3-billion volume vs. \$9.7 billion estimated for 1960 (Vol. 16:49 p17), EIA Pres. L. Berkley Davis said Dec. 15 in a year-end statement.

"While its short-term outlook is somewhat obscured by uncertainties over the state of the national economy, we can expect total electronics sales to be strongly supported by increases in defense requirements & steady expansion of the industrial electronics market," Davis said.

"The prospect for consumer-goods sales will be substantially brightened if the FCC, as expected, soon establishes transmission standards for FM stereo-radio broadcasting."

Citing EIA's volume-figure for 1960, which was up 6% from last year, Davis pointed out: "This means that the industry will have set new sales highs in every year of the last decade, irrespective of declines in the national economy—a record with few equals in the history of American industry."

Davis scorned opinions expressed by some industry observers that the consumer-electronics business had reached a period of relatively static growth. "Most promising opportunities" still lie ahead in development of non-entertainment products which are near mass production at mass-market prices, he said. Examples: electronic ovens, home safety devices.

Moreover, Davis said, "experimental equipment now exists which will enable the housewife to prepare meals without effort by feeding punch cards into household versions of industrial-process control systems."

Davis conceded that there are some rough spots, however:

"With domestic unemployment a matter of growing national concern, it seems significant to point out that, although electronics industry employment is now about double what it was in 1950, thousands of jobs in this industry have been abolished due to foreign competition. This is a problem which should concern the 87th Congress."

He also warned that "some extremely rough competition" is ahead at home for all electronics manufacturers, that "only manufacturers who keep abreast of rapid technical developments in electronics will survive."

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Packard Bell's home-products div. "recorded its greatest year [in fiscal 1960 ended Sept. 30, Vol. 16:50 p20] since the boom TV year of 1953 with a 5.5% increase in sales over fiscal 1959," Pres. Robert S. Bell informed stockholders in a pamphlet report. "The division's average TV unit selling price," he continued, "rose \$16 compared with an average industry rise of \$5.64 per unit. Our share of total industry dollars increased by approximately 6½%, largely as a result of expansion in the TV-radio-stereo combination field and the introduction of the industry's first color-TV combination. The division also captured the largest share of the stereo hi-fi console combination sales in our marketing area."

Production of electronic components is now a \$3-billion annual business in the U.S.—nearly 3 times greater than it was a decade ago—reports Commerce Dept.'s Business & Defense Services Administration. The report represents BDSA's first annual review of the components field: *Electronic Components, Production & Related Data, 1952-59*, available for 20¢ from the U.S. Govt. Printing Office, Washington 25, or Commerce Dept. field offices.

### More about

**New RCA Sets:** RCA's 12 new color sets—some of which will use the improved brighter tube (see p. 12)—all will be equipped with New Vista tuners, new-type video peaking circuits for increased bandwidth, new vertical deflection circuitry for greater stabilization with line-voltage changes.

Four of the models have Wireless Wizard remote control. Only 4 of the sets have been tabbed with a "retail price guide." They range from \$495 for a table model to \$775 for a 3-speaker lowboy (Eastern U.S. prices). The line is topped by a stereo-AM-FM-color-TV combination with open list. Four of the non-remote models are equipped with "Touch Bar" channel selector.

The 13 new 23-in. b&w sets with New Vista tuner range from a table model at \$229.95 to 2 lowboy remote-control consoles at \$359.95. Five are unpriced. A new 23-in. table model with "Long-Range" tuner is priced at a suggested \$199.95; a console with same tuner is unpriced.

Magnavox TV & stereo orders are running 30% ahead of a year ago, Pres. Frank Freimann announced last week. The company's November sales were 17% higher than Nov. 1959, setting a new high for that month, he stated. He added that govt. & industrial electronics were largely responsible for last month's sales rise, consumer-products sales remaining about the same as in 1959. However, he said, consumer-product sales began improving immediately after Thanksgiving. "We've had a tremendous upsurge in TV & stereophonic hi-fi phonograph orders," Freimann said. "We're working our plants overtime & Saturdays."

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**Mergers & acquisitions:** Telex, Minneapolis manufacturer of electronic components, has acquired 82% of Waters Conley Co., Rochester, Minn. phonograph maker, by exchanging 102,500 shares of Telex common (valued at more than \$2.7 million) for 5,500 shares of Waters Conley held by Waters Electronics (Vol. 16:41 p15) • Minnesota Mining & Mfg. and Warner-Lambert Pharmaceutical have suspended their merger negotiations (Vol. 16:35 p15) pending a ruling from the Justice Dept. on the legality of the proposed amalgamation • Standard Kollsman Industries is purchasing for an undisclosed price the electric blanket div. of Bobrich Products. The blankets, produced at Beacon, N.Y., will be distributed by Standard Kollsman subsidiary Casco Products, acquired earlier this year (Vol. 16:23 p20).

Motorola will introduce new TV sets at a distributor meeting Jan. 5 in Chicago's Edgewater Beach Hotel.

Factory picture-tube sales dropped in October to the lowest figure since last February, reflecting cutbacks in TV set production. October normally is a month of high CR tube sales. In Oct. 1959, for example, sales totaled more than a million units, vs. the 771,000 registered in the same month this year. Also for the first time this year, cumulative year-to-date picture-tube unit sales dropped below the 1959 figure, although 1960 still led 1959 in dollar sales volume. Receiving tube sales were also down from last year's level. EIA's figures for October and year-to-date:

	Picture Tubes Units	Picture Tubes Dollars	Receiving Tubes Units	Receiving Tubes Dollars
January .....	795,250	\$15,831,430	31,367,000	\$26,872,000
February .....	741,233	14,495,480	32,734,000	27,881,000
March .....	794,375	15,654,281	36,382,000	31,751,000
April .....	707,252	13,782,769	29,737,000	25,759,000
May .....	659,859	13,329,826	30,354,000	25,580,000
June .....	756,827	15,505,481	33,916,000	29,065,000
July .....	681,785	13,898,468	34,883,000	28,810,000
August .....	928,164	18,843,067	38,540,000	31,702,000
September .....	913,496	18,345,103	34,612,000	28,007,000
October .....	771,324	15,478,435	33,506,000	27,628,000
Jan.-Oct. 1960 .....	7,749,565	\$155,164,340	335,965,000	\$282,544,000
Jan.-Oct. 1959 .....	7,864,893	151,772,066	358,477,000	304,871,000

**PUBLIC ATTITUDES ON IMPORTS:** The American public talks one way about imports—particularly Japanese imports—but buys another. This fact has emerged from a comprehensive survey by N.Y. ad agency Young & Rubicam on attitudes toward imported products. Released in a special N.Y. presentation by *Time* magazine, the study—entitled “Is Made in U.S.A. Passé?”—may reveal to U.S. (& foreign) manufacturers & merchandisers some valid ad & promotion points they have been missing.

Weakness of the survey is that it is relatively old—fall 1959—but there's no reason to believe there's been a marked change in public attitude. Some 2,600 consumers were interviewed, using scientific sampling techniques.

Despite the inroads of Japanese quality products into the U.S. market, the image of Japanese goods in the eyes of the public was best described in one word—“cheap.” Surveyed consumers expressed overwhelming preferences for U.S.-made goods in almost every category. Example of survey results:

Questioned about the quality of foreign-made products, consumers placed Japan near the bottom of the heap, higher only than Russia. With regard to low prices, however, 83% nominated Japanese goods.

Asked to name foreign-made products sold in U.S., only 8% mentioned radio & hi fi. (“Cars” were first, with a 63% mention.) And 9 other products received more mentions than radio & hi fi.

#### Transistor Radios: U.S. First, Then Germany

Among questions asked about specific products:

“What country makes the best transistor radios?” Only men were asked this question, and 85% picked U.S. as their first choice; 3% chose West Germany; 1% Canada. Of those selecting the U.S., 26% picked West Germany as 2nd choice, 17% Japan, 15% Britain, 3% Canada, 3% France, 2% Italy, 2% Switz., 2% USSR, 30% “don't know.”

“What country makes the best TV sets?” Both men & women were asked this question, and they picked the U.S. overwhelmingly—96%. West Germany got 1% of the first-place mentions. Of those picking the U.S., 2nd choice broke down to: 27% Britain, 16% West Germany, 7% Canada, 3% France, 2% Japan, 2% USSR, 1% Italy, 1% Switzerland, 41% “don't know.”

“What country makes the best high-fidelity equipment?” U.S. was named by 82% of men, 6% naming West Germany, 1% Britain, 1% Switzerland. For 2nd choice, 29% chose West Germany, 18% Britain, 8% Canada, 5% France, 3% Japan, 2% Italy, 2% Switzerland, 1% Sweden, 1% USSR, 34% “don't know.”

Owners of domestic & foreign-made transistor radios were asked to evaluate foreign vs. domestic sets in various categories. The question read: “If you were looking for a transistor radio (which is not really expensive . . . on which service is easy to obtain . . . which you feel more reassured about buying . . .) which of these things would you do?”

On every score except one—price—both foreign & domestic set owners indicated they would choose an American-made set—but in every case owners of U.S.-made radios showed more tendency to prefer domestic products. Qualities measured were service availability, reassurance, better value, pride of ownership, design & style, workmanship, inexpensive price. Only in the latter category did the majority of foreign-radio owners give the nod to imports. But even in the price category, domestic-set owners said they'd choose a U.S.-made transistor radio.

Hi-fi instruments were evaluated in the same way. The majority of owners of foreign sets gave the nod to imported sets only in the category of workmanship. Domestic owners strongly preferred domestic sets on every criterion. As Y&R interpreted it: “The lowest preference or lowest area of loyalty to domestic hi-fi equipment is in the area of workmanship. The owners of foreign hi-fi equipment are not fully satisfied about the service they get, because most of them would also choose domestic hi fi as being easier to get service for; but they are a little less strong in their feelings than are domestic owners. However, they prefer foreign hi-fi equipment in the area of providing better workmanship.”

Public's attitude toward imports in general is divided, the survey indicated. Some 43% are opposed in principle—they think it's a bad idea, that it hurts the U.S.; 36% favor it because it helps recovery in poorer countries; 19% indicated they don't care where the product comes from so long as the consumer is benefited.

Opinion on imports of foreign-made consumer goods is sharply divided, the study found. “Those most likely to accept foreign products come from the younger age group, the better-educated group and the monied.”

More than half of consumers would place their faith in the retailer when buying foreign goods without known brand names. The question: “If you were going to buy a foreign-made product and the brand was one you had never heard of before, which one of these factors would make you buy this brand?” The answers: Sold in a reliable store, 51%; recommended by a friend, 24%; lower cost, 13%; recommendation of a salesman, 2%.

Lower price seems to overcome patriotism in many consumers. The surveyed group was asked this question: “Assuming that the quality of all 3 is equally good, which brand would you most like to own? (1) An American brand made in this country. (2) An American brand even if it's made in another country. (3) A foreign brand sold in this country.” Category 1 was chosen by 93%, No. 2 by 4%, No. 3 by 3%. But if the product in Category 1 cost 20% more, how would their preferences stack up? With this price difference, preference for No. 1 dropped to 59%, No. 2 rose to 27% and No. 3 to 14%.

The survey results were presented by Robert Y. Mayer, asst. to Y&R's research director.

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**Trade Personals:** L. C. Diekmann named mfg. dir., Westinghouse consumer-products group,—serving in a consulting capacity to all consumer-products divs. He formerly held a similar post in the general products group . . . Dr. Nisson A. Finkelstein, asst. vp & research dir., Jan. 1 becomes Stromberg-Carlson research vp; W. Edwin Boyette named mfg. dir., Miles A. Bailey plant controller, Stromberg-Carlson commercial products div.

Sidney M. Robards, former dir. of press relations, promoted to RCA dir. of public affairs, with over-all responsibility for corporate press relations, editorial & publication services, product news & field relations, presentations & exhibits . . . Karl H. Carstens resigns as Magnavox ad mgr., effective Jan. 1; successor not yet named . . . W.C. (Red) Schultz, ex-national field sales mgr., Hoffman consumer products div., appointed distributor sales mgr., semiconductor div.

D. L. Nettleton named chief engineer, RCA electronic data-processing div., succeeding J. W. Leas who was recently appointed data-communications & customs-projects dept. mgr . . . Fred A. Speaks promoted from asst. mktg. dir. to mktg. div. dir., Eitel-McCullough.

**HOW PUBLIC BUYS TV:** Brand awareness & brand loyalty play the single most important role in the consumer's selection of a TV set. This is indicated in a voluminous survey of 1,770 heads of TV-owning households, conducted by the Psychological Corp. for Corning Glass Works as groundwork for Corning's upcoming TV promotion campaign (Vol. 16:50 p15).

Also surveyed—by interviewers posing as prospective customers—were sales personnel in 486 stores selling TV sets in all major U.S. regions. Some of the highlights of the nation-wide scientific-sampling surveys:

**Most-desired features:** Although 22% of TV set buyers indicated their purchase was dictated mainly by brand name, consumers gave picture quality as the most important feature desired in a TV set. Asked to name the 3 most important, they selected these major factors: picture quality, 69%; "good clear picture," 61%; external appearance of set, 44%; sound quality, 36%; reliability, 26%; large screen size, 17%; freedom from picture distortion, 10%; from picture "rolling," 5%; from snow, 3%; from interference, 3%.

Shown a check-list, viewers were asked to select the picture qualities they considered most important. Brighter picture was selected by 35%; contrast, 26%; reflection-free, 12%; freedom from "roll," 11%; from snow, 8%; from "lines," 1%. Asked which features were least important to them, the element of "square corners" was chosen by 41%; flat viewing surface, 14%; freedom from picture roll, 10%; from snow, 9%; from reflection, 8%; from "lines," 5%.

#### 20% Can't Recall Sales Pitch

**How sets are sold:** One-fifth of TV set customers could recall no effort on the part of sales personnel to stress features of sets. Of those who could recall sales points, 18% mentioned factors related to quality of the image & reception, 6% to design or styling of the set. Nevertheless, 22% chose their sets on the basis of brand name, 14% "just saw it & liked it," 10% made the purchase because of the guarantee or warranty.

In an aided-recall survey, consumers chose these factors as features stressed by salesmen when selling them the set: Year's warranty on picture tube, 72%; 90-day parts warranty, 65%; brighter picture, 22%; better contrast, 16%; reduced glare, 8%; laminated picture tube, 3%; flat viewing surface, 1%; implosion-proof tube, 1%.

**Multi-set ownership:** For the U.S. as a whole, the survey projections indicated that 88% of TV households have a single set, 11% have 2 sets, 1% have 3 or more. Multiple-set ownership is greatest in the Northeast, where 21% of TV households own 2 or more sets (17% having 2 sets, 4% having 3 or more). Multi-set ownership is lowest (6%) in the South. Classified by city category, suburbs have the biggest multi-set ownership—28% of suburban TV homes owning 2 or more.

**Ownership by brand:** The nationwide sample was divided this way: RCA was first in ownership, with 17% of households; Philco, 13%; Zenith, 11%; Admiral & Motorola, 10% each; GE, 9%; Silvertone, 6%; Emerson, 5%; Westinghouse, 4%; Sylvania & Magnavox, 3% each; [no other brands were listed on surveyors' forms] all others, 21%. There were these regional variations in big-3 status: Northeast—RCA, 23%; Philco, 17%; Admiral, 11%. North Central—RCA, 19%; Admiral, 13%; Zenith, 12%. South—Philco, 14%; Motorola & GE, 12% each; RCA, 11%. West—RCA, 14%; Zenith, 13%; Admiral & Philco, 9%.

As classified by socio-economic status of owners, the

big 3 were: Upper class—RCA, 24%; Philco, 18%; Zenith, 11%. Upper-middle—RCA, 20%; Philco & Zenith, 13% each; Motorola, 12%. Lower-middle—RCA & Philco, 13% each; Admiral, 11%; Motorola, 10%. Lower—Admiral, 12%; RCA & Zenith, 11% each; Philco, 10%.

**Repairs & service:** 62% of all TV households reported that their sets required repair in the past 12 months; professional technicians were called in by 55%. Picture-tube replacement was required in most cases (62%); 2nd biggest trouble was picture-tube replacement (11%). Incidentally, 8% of all respondents, when shown a check list, indicated that the picture tube had been removed to wipe off dust or dirt; 4% said they had the tube removed to relieve fogging.

**Survey of dealers:** One out of five salesmen refers to the laminated tube in his sales pitch to prospective customers—but somewhat fewer (15%) use specific product features of the tube as a sales aid. The feature of the tube stressed most often is "elimination of dust & dirt" (11% of all dealers). Others: "reduced reflection" (9%), "cuts glare" (8%), "square-cornered picture" (7%).

The survey contains one interesting and unexplained bit of information: More people in the lower & lower-middle economic groups watch TV in darkened rooms. In the lower group, 30% said they view without room lights; in the lower-middle, the figure is 17%, dropping to 8% in the upper-middle and 6% in the upper group.

\* \* \*

**Consumer plans to buy TV sets increased in October** from July, the Federal Reserve Board reported, but they were still below the Oct. 1959 figure. FRB's survey found that 4.8% of families polled in October expressed an intention to buy TV sets within the next 6 months, up from 3.9% in July. In October last year, potential buyers numbered 5.6%, also up from 3.9% in July. New-car & used-car buying plans also were up, but Oct. buying plans for washing machines & refrigerators were down as compared with July. November survey made for *Newsweek*, reported here last week (Vol. 16:50 p17), showed upsurge in TV buying plans.

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**Steven Baltz,** 11-year-old son of Admiral vp-gen. counsel William S. Baltz, was the sole survivor on Dec. 16 of the air disaster over N.Y. city (see p. 5). He had been traveling alone on the United Air Lines jetliner from Chicago to N.Y. to join his mother, was said to have been saved by falling into a deep snow bank. At press time, his condition was listed as critical. His father, who at first was erroneously reported as a passenger on the plane, was in Chicago at the time of the crash, and flew to N.Y. on learning of the disaster.

**Pre-recorded 4-track stereo-tape sales next year will double this year's volume.** So predicted Ampex vp Herbert L. Brown, pres. of the Magnetic Recording Industry Assn. He put this year's retail sales level at nearly \$5 million, forecasting 1961 sales at \$10 million. He said 40 companies now produce 4-track music tapes, with approximately 1,000 different selections now available. He said about 2,000 more will be introduced next year. The 1959 retail volume was less than \$1 million.

**Andrea introduces 3 new sets**—19-in. portable at \$230 & \$240, sliding-door 23-in. console at \$495 & \$525, and a 23-in. TV-AM-FM-stereo combination at \$1,295.

**Burnell & Co., Pelham Manor, N.Y.** manufacturer of electronic filters & associated products, has been listed for trading on the American Stock Exchange. Symbol: BCI.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
British Industries	1960—qtr. to Sept. 30	\$ 1,269,289	—	\$ 27,418	\$0.08	361,115
	1959—qtr. to Sept. 30	1,710,235	—	112,577	.32	356,777
Collins Radio	1960—qtr. to Oct. 31	53,341,464	\$3,374,100	1,484,958	.69 <sup>1</sup>	2,163,628
	1959—qtr. to Oct. 31	42,003,394	4,778,270	2,024,317	1.07 <sup>1-2</sup>	1,889,632 <sup>2</sup>
International Resistance	1960—42 wks. to Oct. 23	17,150,228	—	1,705,942	1.23	—
	1959—42 wks. to Oct. 23	15,676,568	—	1,493,370	1.08	—

Notes: <sup>1</sup>After preferred dividends. <sup>2</sup>Adjusted for Aug.-1960 4% stock dividend.

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

Allied Artists. George D. Burrows sold 2,000, held 41,786. Sherrill C. Corwin sold 3,600, held 23,400. Robert W. Hurlock bought 200, held 20,500. Herman Rifkin sold 5,000, held 14,261 personally, 13,007 in Rifkin Management. Sam Wolf sold 1,550, held 22,000.

American Bosch Arma. W. G. Tuttle exercised option to buy 250, sold 500, held 1,500. William Stix Wasserman sold 22 personally, 1,500 through Investment Corp. of Philadelphia, 1,500 from trusts in transactions dated from Oct. 1950 to July 1960, held none personally, none in Investment Corp. of Philadelphia, 600 in trusts.

Amphenol-Borg. Edmund A. Stephan bought 500, held 1,000.

Arvin Industries. Orphie R. Bridges bought 200, held 1,325.

Audio Devices. Joseph K. McCommon sold 500, held 10,971.

Cinerama. Nicholas Reisini bought 41,300 through Robin International Inc., held 87,650 in Robin International Inc., 350,000 personally.

CBS Inc. Henry C. Bonfig bought 7,278, held 8,527.

Columbia Pictures. Samuel J. Briskin exercised option to buy 16,971, held 19,232 personally, 564 in S. J. Briskin Pictures, 117,763 in Fico Corp.

Consolidated Electronics. John Bentis sold 1,000, held 9,000.

Daystrom. Carlton S. Proctor bought 100, held 500.

Electronic Research Associates. Donald D. Grieg bought 100 Class A for daughter, held 100 for daughter, 1,187 personally.

Electronics Capital. Neil H. Jacoby bought 100 as trustee, held 300 as trustee, 1,000 personally.

Electronic Communications. Lorain W. Willey bought 501, held 600.

Electronics International Capital. Neil H. Jacoby bought 1,000, held 1,000. Jerome Kohlberg Jr. bought 1,000, held 1,000. Bernard Koteen bought 1,000, held 1,000. Joseph M. Pettit bought 300, held 300. Maurice M. Rice bought 5,556 held 5,556. Charles E. Salik bought 5,377, held 7,877. Richard T. Silberman bought 1,390, held 3,890.

Filmways. William Cowan acquired 1,000 for services rendered, held 1,000.

GE. John W. Belanger sold 500 held 17,568. Lemuel R. Boulware exercised option to buy 3,218, held 21,288. Hubert W. Gouldthorpe bought 133, held 1,740. Halbert B. Miller exercised option to buy 270, held 3,408. Arthur F. Vinson exercised option to buy 4,227, held 14,958 personally, 465 as custodian. William C. Wichman exercised option to buy 1,695, held 6,921.

General Instrument. Louis Scadron sold 1,000, held 7,378.

Globe-Union. John P. Hanson exercised option to buy 500, held 705.

William S. Parsons exercised option to buy 500, held 3,755.

Hazeltine. William A. MacDonald bought 200, held 5,686.

Indiana General. John H. Bouwmeester sold 500, held 10,488.

IBM. E. R. Piore sold 100, held 304.

International Resistance. George I. Back sold 1,000, held 1,200.

Walter W. Slocum exercised option to buy 500, held 800.

ITT. Frederick R. Furth sold 200, held 3,904.

Lear. William P. Lear bought 11,200, held 462,261. Glen C. Warner sold 381, held none.

Litton Industries. Charles R. Abrams Jr. sold 135, held 5,400.

Harry J. Gray acquired 1,000 in private transaction, held 6,342. Joseph A. Thomas sold 3,000, held 10,681 personally, 211 in trust, 10,250 in Lehman Bros. Charles B. Thornton disposed of 4,000 in transfer of community property interest, sold 400, held 291,646 personally, 31,191 in partnership.

Loew's Theatres. Herbert A. Hofmann bought 100 as trustee, held 1,100 as trustee, 1,000 personally.

P.R. Mallory. Leon Linn bought 200, held 458.

Microwave Associates. Joseph C. Bothwell Jr. sold 200, held 5,700.

Minneapolis-Honeywell. Richard P. Brown sold 1,200, held 58,937 personally, 600 in trust.

NAFI. George L. Coleman bought 5,000, held 16,476 personally, 149,386 in Nafo Inc. H. V. Sherrill bought 6,000, held 12,700 personally, 149,386 in Nafo Inc., 225 as custodian.

Packard Bell. Kenneth R. Johnson exercised option to buy 510, held 1,530. Grover D. Rogers exercised option to buy 255, held 255.

Pentron Electronics. Richard F. Dooley sold 2,000, held 2,363.

Philips Electronics & Pharmaceutical. Arlie Verne bought 400, held 1,000 personally, 20 for wife.

Raytheon. Richard E. Krafve bought 1,000, held 4,050.

Stanley Warner. Charles F. McKhann sold 100, held 800.

TelePrompTer. Roy R. Coffin bought 300 and 300 more through holding company, held 900 personally, 1,300 in holding company.

Texas Instruments. F. J. Agnich sold 400, held 23,475. S. T. Harris bought 200 for Trust A, held 454 in Trust A, 584 in Trust B, 17,720 personally.

Thompson Ramo Wooldridge. Harold L. George sold 400 in Oct. and amended report to indicate he sold 400 in Sept., held 29,335.

Trans Lux. Harry Brandt bought 800 personally, 500 through Brapick Inc., 1,100 for foundations, sold 2,300 from foundations, held 162,900 personally, 3,500 in Brapick Inc., 34,180 in foundations, 17,000 for wife. 100 in Barvic Theatres, 200 in Marathon Pictures, 400 in Bipam Corp., 400 in Pamela Amusement. Jay Emanuel bought 1,100 and sold 2,300, held 34,180. Milton C. Weisman sold 1,000, held none.

United Artists. Robert S. Benjamin sold 400, held 300.

Varian Associates. Sigurd F. Varian sold 500 from community property, held 72,848 in community property, 14 personally.

Westinghouse. W. O. Lippman sold 200, held 600. W. Waits Smith sold 500, held 1,230.

## Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Capital Records .....	Q	\$0.50	Dec. 30	Dec. 15
Clarostat Mfg. ....	Stk.	3%	Jan. 20	Dec. 30
Columbia Pictures .....	Stk.	2 1/2%	Jan. 30	Dec. 30
General Bronze .....	Stk.	2%	Feb. 9	Jan. 12
Motorola .....	Q	.25	Jan. 13	Dec. 30
MPO Videotronics "A" ..	—	.10	Jan. 16	Dec. 30
Muter .....	Stk.	5%	Jan. 20	Jan. 5
Sangamo Ltd. ....	Q	.15	Dec. 21	Dec. 19
Terminal-Hudson .....	Q	.06	Jan. 20	Jan. 9
Western Electric .....	Q	.90	Dec. 30	Dec. 20

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 15, 1960

Stock	Bld Asked	Stock	Bld Asked
Acoustica Associates -	17 3/4 19 1/2	Magnetics Inc. -	7 1/4 8 1/2
Aerovox -	7 3/4 8 1/2	Maxson (W.L.) -	7 7 1/2
Allied Radio -	22 1/2 24 1/2	Meredith Pub. -	40 43
Astron Corp. -	1 1/4 1 1/2	Metropolitan Bctg. -	17 1/2 18 1/2
Baird Atomic -	22 1/2 24 1/2	Milgo Electronics -	15 1/2 17
British Industries -	17 1/4 18 1/2	MPO Videotronics -	4 8 1/2
CGS Labs -	7 8 1/2	Narda Microwave -	4 4 1/2
Cetron Electric -	3 1/4 3 1/2	Nuclear of Chicago -	39 42
Control Data Corp. -	58 1/2 62 1/2	Official Films -	2 1/4 2 1/2
Cook Elec. -	13 1/2 14 1/2	Pacific Automation -	4 1/2 5 1/2
Craig Systems -	14 1/4 16 1/4	Mercury -	5 1/2 6 1/2
Dictaphone -	29 1/2 31 1/4	Philips Lamp -	155 1/4 161
Digitronics -	22 24 1/2	Pyramid Electric -	2 1/4 3 1/16
Eastern Ind. -	15 1/8 16 1/8	Radiation Inc. -	23 1/2 25 1/2
Eitel-McCullough -	16 17 1/2	Howard W. Sams -	36 1/2 39 1/4
Elco Corp. -	13 1/4 14 1/2	Sanders Associates -	35 1/2 38
Electro Instruments -	23 25 1/2	Silicon Transistor -	4 1/2 5 1/2
Electro Voice -	7 1/2 8 1/2	Soroban Engineering -	35 1/2 38 1/2
Electronic Associates -	29 1/2 32	Soundscripter -	16 1/4 17 1/2
Erle Resistor -	8 9 1/2	Speech Carbon -	18 1/4 20 1/2
Executive -	21 1/2 24 1/2	Sprague Electric -	54 57 1/2
Farrington Mfg. -	26 1/4 28 1/4	Sterling TV -	1 1/2 2
Fischer & Porter -	19 1/4 21 1/4	Taft Bctg. -	12 13 1/2
FXR -	36 1/2 39 1/2	Taylor Instrument -	32 1/2 35 1/2
General Devices -	9 1/2 10 1/2	Technology Inst. -	8 9
G-L Electronics -	7 8 1/2	Telechrom -	12 1/2 14 1/4
Granco Products -	2 3 1/2	Telecomputing -	8 8 1/2
Gross Telecasting -	19 1/2 21 1/2	Telemeter -	11 1/2 12 1/2
Haydu -	1/16 1/4	Tlme Inc. -	67 70 1/2
Hewlett-Packard -	27 1/2 29 1/2	Tracerlab -	10 11 1/2
High Voltage Eng. -	161 176	United Artists -	5 1/2 6 1/2
Infrared Industries -	16 17 1/2	Universal Control -	14 1/4 16
Interstate Engineering -	23 1/2 25 1/2	Universal Trans. -	1 1/2
Itek -	52 1/2 56 1/2	Vitro -	9 1/2 10 1/2
Jerrold -	7 1/4 8 1/2	Vocaline -	2 1/2 2 1/2
Lab for Electronics -	48 1/2 51 1/2	Wells-Gardner -	19 1/2 21 1/4
Lel Inc. -	3 1/2 4 1/2	Wometco Ent. -	13 1/2 14 1/2
Magna Theater -	2 1/2 2 1/2		

# WEEKLY Television Digest

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

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**NO RUSH TO REPLACE FORD** in Kennedy camp. He's likely to remain FCC chief several months. Frear not interested in job (p. 2). Dept. (p. 3).

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**TV ALLOCATIONS—AIRBORNE ETV** a factor, may call for big chunk of uhf spectrum for nation-wide system (pp. 2 & 4).

### Networks

**NBC & RKO WIN ONE** in Supreme Court which declines to upset lower-court anti-Westinghouse ruling, but biggest hurdle to station swap remains—FCC (p. 6).

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**NETWORKS' PARTICIPATION IN PILOTS** on increase; they are involved in 30, with more coming (p. 7).

### Auxiliary Services

**ARMY'S MEDICAL TV IS MENACED** by economy order axing 38 staffers at Walter Reed production center. "Precipitous execution" of pioneering program feared (p. 8).

**FCC STUDIES HIGH-SPEED LEGAL TOOLS:** Two new tools for cutting into FCC's hearing backlog are under consideration at Commission. If majority buys them, Congress will be asked for necessary law changes to put them into effect. They are:

(1) Split the Commission into 2 "decision panels"—each with authority to make final decisions. As of now, FCC can form panels whenever it chooses, but panels' decisions can be appealed to full Commission. Under new proposal, decision-making capacity could be doubled.

(2) Adopt "summary judgment" procedure, a la courts. Example of how it would work: Two competing applications are before Commission. One has all local ownership, other all out-of-town. The local man tells Commission: "Look, based on your precedents, the other man doesn't have a chance. It's black-&white. Why waste time in a hearing? I make a motion for an immediate decision in my favor, based on the applications before you." Commission holds quick oral argument on the motion—and makes its decision.

Another backlog-breaking idea under study: Delegate to the staff the authority to grant routine broadcast CPs. Common Carrier Bureau staff now has such delegation, and Commission could do same in broadcasting without law changes, we understand.

### Consumer Electronics

**DU PONT MYLAR TUBE SHIELD** demonstrated. One tube maker plans production; use in portables forecast in year. Weight saving is big selling point (pp. 16 & 23).

**TV PROMOTION DRIVE**, designed to create year-long "excitement" about TV, unveiled by Corning. Original emphasis on bonded tube is now soft-pedaled (pp. 17 & 22).

**1960 WASN'T TOO BAD** in consumer electronics, with higher unit sales & average prices in TV & stereo, runaway radio sales highlighting sum-up of what started as a better year (p. 18).

**NOV. TV SALES SOFT**, preliminary figures showing dip of 12% at retail, 15% at distributor level. Radio retail sales below 1959 level for first time in Nov. (p. 22).

**CANADIAN LOOK** at 1961 by 3 major electronics firms reveals a dim view resulting from falling sales & rising import competition (p. 22).

### Advertising

**TV-RADIO SPENDING** by top 10 air-media ad agencies in 1960 increased to \$1.07 billion or 73% of their total media buying (p. 5).

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**FCC WIDENS SPACE PROBE** to include issues of whether protected geographic areas should be reserved for future space-relay earth terminals (p. 13).

### Other Departments

**STATIONS** (p. 4). **PROGRAMMING** (p. 5). **PERSONALS** (p. 8). **FINANCE** (p. 24).

**WHITE HOUSE HOMEWORK ON AGENCIES:** There's at least one thing sure about President-elect Kennedy as he approaches Inauguration day and such domestic problems as govt. regulation of broadcasting & other industries. He'll have plenty of reading matter to carry with him into White House.

Two more weighty analyses of ills of regulatory agencies—latest in long series of treatises on subject—were added last week to piles of literature available in field. One came from staff of House Commerce Legislative Oversight Subcommittee (see p. 3). Other was dispatched to Kennedy from his special agency advisor James M. Landis.

"Program of action" was called for by House report—29th issued by Oversighters or Subcommittee staff since they went to work on FCC in 1957. No "superficial tinkering with existing statutes & regulations" will do, report warned sternly. "Laws are not self-executing."

"We must have administrators with ability, vision, and above all, with a sense of their responsibility," House investigators went on. Concluding sentence of 166-page report was this: "Whether we have such men in public service depends in large measure upon the wisdom which is used by the President & the Senate in exercising their respective powers of nomination & approval."

Similar admonitions were directed at Kennedy by New Deal agency veteran Landis in 150-page report filed coincidentally with President-elect. His study of commissions & boards was due Dec. 15 (Vol. 16:51 p10), but Landis told us he didn't finish rewriting & polishing his "specific recommendations" until 5:15 a.m. Dec. 21. His report was then handed in N.Y. to Kennedy's father Joseph P. Kennedy, who acted as courier next day in flight to Palm Beach to join son's family for Christmas.

And these new reports were only starters for incoming Democratic administration. Still to come are: (1) Findings by Legislative Oversight Subcommittee itself. (2) Report by Senate Judiciary Administrative Practice & Procedure Subcommittee (Vol. 16:49 p2). (3) Hearing for agencies planned by Senate Commerce Committee (Vol. 16:48 p5). (4) Proceedings of White House conference on agencies planned by Circuit Court Judge E. Barrett Prettyman (Vol. 16:36 p5 et seq.).

**NO RUSH TO REPLACE FORD:** Look for FCC Chmn. Ford to continue as head of Commission for some months. Word is out that Kennedy administration is in no hurry at all to effect FCC shifts, is in fact inclined to let Ford continue his legislative & regulatory revitalization program. Kennedy could change mind fast, of course, but that's how things stand today.

Ford will be replaced as chairman sooner or later but his replacement hasn't been selected. Friends of defeated Sen. J. Allen Frear (D-Del.) have sent up trial balloons touting him for FCC, but he says: "My interests don't lean in that direction."

Also mentioned for chairmanship is Comr. Cross, Ark. Democrat. "If the President wants me for chairman," he said, "he'll designate me chairman. I'm not actively seeking it."

**TV ALLOCATIONS—AIRBORNE ETV A FACTOR:** Basic to FCC's allocation thinking today is the all-channel set. In fact, belief is that such sets must be fairly well distributed before a true decision can be made (Vol. 16:50 p2).

However, a new & important factor is about to enter picture—ETV and its potential heavy uhf requirements. If ETV requests and gets substantial number of exclusive uhf channels, commercial interests will begin to worry about lebensraum any time anyone talks of an ultimate shift of all TV to uhf. Earlier this year, FCC Chmn. Ford, in an off-record talk to educators, chewed them out for seeking ETV assignments on piecemeal basis, and for not having long-range nation-wide allocation plan. They took words to heart, intend to come up with recommendations. Question is when. Ford apparently expects it soon, to be considered in whole TV picture. But educators say they can give only rough judgment now, before Stratovision experiment bears technical fruit (see p. 4)—because many educators & engineers believe that airborne transmitters will be more efficient than ground-based in every way, including spectrum use. They don't expect full data before end of 1962.

Current engineering speculation is that airborne TV would need 15-20 uhf channels, 25 planes in air, to blanket nation with 6 simultaneous ETV programs. If 3-mc channels can be used—and Stratovision experiment will test them—spectrum needs would be less.

## Congress

### More about

**OVERSIGHTERS' STAFF REPORT:** Badly buffeted in nearly 4 years of headlined House hearings, broadcasters & FCC were spared new bruises by Commerce Legislative Oversight Subcommittee staff investigators in their final report last week.

Some salt was rubbed into old TV-radio-FCC wounds by chief counsel Robert W. Lishman & his team of probers. But there were no fresh barbs for the industry in the 166-page report (plus 97 pages of appendix) which Chmn. Harris (D-Ark.) will use as the working paper for the Subcommittee's own windup review, due Jan. 3 when the Oversighters officially shut up their shop.

Oversight staff stilettos were reserved this time for CAB, ICC and FPC among 14 regulatory agencies under the Subcommittee's investigative jurisdiction. The report indicated members of the 3 agencies for general laxity & inefficiency. Also cited were alleged instances of misconduct—some of which were never subjected to hearings at which agency officials could defend themselves. Rep. Derounian (R-N.Y.) and other Republicans on the Subcommittee opposed release of the entire report because of the sections on CAB, ICC and FPC. Derounian said "it isn't very American" to make charges without a hearing.

No such Subcommittee objections to a 30-page section on the communications industry were raised. Lishman & staff recounted quiz, payola-plugola and FCC "influence" cases explored at hearings, pointed with scorn at sins exposed, and boasted about enactment of reform legislation this year. Only 2 prescriptions for more legislative medicine—to control networks and ban trafficking in station licenses—were recommended by the staff, however. Both recommendations had been anticipated (Vol. 16:51 p8).

#### To License or to Regulate?

Even so, the Subcommittee's staff couldn't make up its mind whether it would be better for FCC to license networks or just regulate them. And Counsel Lishman told reporters that Commission itself already has done "very good" work in policing trafficking (Vol. 16:50 p1).

In its recommendation for network legislation, the report said investigation & study had demonstrated "the complexities of the problem & the difficulty in selecting the most suitable method for its solution."

The staff suggested that Chmn. Harris reintroduce his bill (HR-11340) calling for network licensing, that Oversighter Bennett (R-Mich.) revive his bill (HR-5042) for regulation short of licensing—and that both be subjected to "early legislative hearings." In the absence of the Oversight Subcommittee next year, the hearings would be conducted by the Communications Subcommittee—also headed now by Harris.

As for trafficking, the report reiterated a 1959 recommendation by the Subcommittee itself that the Communications Act should be amended to forbid a "voluntary sale" of a station within 3 years of its license date unless a mandatory public hearing shows "affirmatively that the proposed transfer is in the public interest."

The only other staff recommendation in the broadcasting field—and it wasn't for additional legislation—called for: "Administrative & Congressional study [of] how far broadcast content & balance should be determined by the rating services' appraisal of audience size." The Subcommittee has contracted with the American Statistical Assn. for an examination of ratings' "statistical validity."

## The FCC

Miami Ch. 10 status quo was preserved in effect by a Court of Appeals order last week. Ruling on moves & counter-moves in the complex "influence" case (Vol. 16:49 p6), Judges E. Barrett Prettyman & John A. Danaher denied a request by FCC that it be permitted to proceed pronto with withdrawal of the Ch. 10 grant from National Airlines' WPST-TV. But the Court also held in abeyance a motion by WPST-TV for staying & vacating FCC's decision against WPST-TV. Elzey Roberts' petition to intervene in the tangled proceedings as a friend of the court was granted. North Dade Video was permitted to consolidate its appeals with others. Noting that "this case, long delayed, has become ensnared in procedural technicalities," Judges Prettyman & Danaher then instructed all parties to get a move on. Attorneys for the parties were ordered to report by Dec. 28 on any pre-trial agreements they can reach on issues. Following filing of the FCC record in the case, which may come within a week, the contestants for Ch. 10 will have 25 days (instead of the usual 40) to file briefs, which must be answered within 15 days by FCC, followed by a 10-day period for reply briefs. This schedule indicated that the case may get to trial within 2 months.

Allocations actions by FCC: finalized—adding Ch. 9 to Redding, Cal., substituting Ch. 13 for Ch. 9 in Alturas. Proposed—(1) Making Ch. 18, Austin, Tex., educational, deleting Ch. 70, adding Ch. 67, substituting Ch. 75 for Ch. 53 in San Marcos. (2) Adding Ch. 15 to Madison, Wis. and Ch. 40 to Richland Center, deleting Ch. 33 from Madison and Ch. 15 from Richland Center. (3) Adding educational Ch. 28 to Newark, O., substituting Ch. 68 for Ch. 28 in Lancaster. (4) Adding Ch. 37 to Lexington, Ky., swapping it with Ch. 70, Winchester. (5) Adding Ch. 14 & educational Ch. 31 to Columbia, S.C., deleting educational Ch. 19 & Ch. 67, substituting Ch. 19 for Ch. 14 in Camden, and Ch. 67 for Ch. 31 in Lancaster.

Option-time appeal by KTTV Los Angeles (Vol. 16:47 p5 et seq.), which charges that FCC should have dropped option time altogether, will have plenty of participants. The Court of Appeals granted motions to intervene by 7 parties—3 networks, 3 affiliate groups, Westinghouse Bctg. Co. but the court put a novel twist in its ruling: It told the 7 to get together in one brief—something of a forensic miracle. Attorneys are likely to ask the court for mercy.

FCC has corrected its list of stations which had failed to respond to its political broadcast questionnaire (Vol. 16:49 p5). It reports that the following should not have been included: KFUO-FM Clayton, Mo.; KKAS Silsbee, Tex.; WAND Canton, O.; WCBQ Whitehall, Mich.; WDIX Orangeburg, S.C.; WLAQ Rome, Ga.; WORX-FM Madison, Ind.; WNCO-FM Ashland, O.

FCC's uhf receiver radiation limits—1,000 uv/m at 100 ft.—will be retained until Dec. 31, 1962, at EIA's request. However, the Commission told EIA that, if it wants more extensions, "it should file supporting data as to receiver cost, production measurement and other pertinent factors to meet the 500 uv/m radiation limit originally scheduled."

Vhf-uhf ETV in Miami is proposed by WTHS-TV (Ch. 2) which has filed an application for Ch. 17 there. It reported having bought some equipment from off-air WITV which had once operated commercially on Ch. 17. Plans call for mounting Ch. 17 antenna on the Ch. 2 tower.

Uhf translator grant: Ch. 82, Waimea, Kauai, Hawaii, to KGMB-TV, Honolulu.

## Educational Television

### More about

**ETV STRATOVISION STATUS:** High hopes, pedagogically & technically, were expressed to FCC & staff last week when they were briefed on ETV Stratovision experiment of the Midwest Council on Airborne TV Instruction (see p. 2).

Westinghouse is handling the transmission end of Stratovision work for MCATI, and last week it took FCC Commissioners & staff members out to Baltimore's Friendship Airport for a status report—which was, mainly, that educators are ready, but airplanes aren't, and won't be until about the end of January.

Dr. John E. Ivey Jr., pres. of MCATI, said he hopes Westinghouse's Air Arm div. will have planes ready shortly after Jan. 30. Originally, he said, the target was to test in 4th quarter 1960 but technical delays developed.

An area 300 miles in diameter will be served by the 4-engine DC-6 plane traveling about 300 mph in a 20-mile diameter circle 23,000 ft. over Montpelier, Ind., near Ft. Wayne. Two 10-kw transmitters (Ch. 72 & 76), using Adler drivers & Varian klystrons, will feed signals into a 10-db gain antenna.

Dr. Ivey said that 526,518 pupils and 16,221 teachers in 16,939 classrooms will participate in the Feb.-May tests—with a full program to start in Sept. 1961.

The project will cost \$7,750,000, he said, with \$4.5 million donated by the Ford Foundation, the balance by industry. It's understood that industrial contributors include not only electronics firms but such companies as U.S. Steel. These will be identified soon.

To obtain the best teachers, some 300 applicants were screened, and 20 were selected & trained at Purdue U. Courses are designed for students from the elementary grades to college level.

Plans call for 6-8 hours of telecasts daily—all emanating from 2 VR-1001-A Ampex recorders on the planes. A standby plane with duplicate tapes will be ready to take off in case of trouble, take over telecasting within 1-2 hours. Each plane will carry 3 crewmen & 3 TV engineers.

The original Stratovision protagonist, Westinghouse's Charles E. (Chili) Nobles, who pushed the program for commercial use immediately after World War II—but couldn't persuade the FCC then—went through the technical aspects, describing components. He said that a gyro-hydraulic system is designed to keep the antenna within one degree of vertical. If turbulence becomes too great—not frequent at that height—a standby antenna will be locked into position, and it's expected that its lobe will be broad enough to keep signal fluctuations within tolerable levels. The 3-mc bandwidth work, by CBS, will use 441 lines, 48 frames—as did CBS's sequential color. Incidentally, no color is planned for the project.

The allocations & measurements aspects of the program are being supervised by consulting engineer A. Earl Cullum. Reached in Dallas last week, he reported that the objectives are to study service & interference ranges for the airborne system and compare them with ground-based transmissions. The Bureau of Standards, under Kenneth Norton, is doing the theoretical calculations.

"The quality of reception," Cullum said, "must be better than the average home picture—or the planes may just as well remain in Baltimore. We're aiming for quality as good as closed-circuit." He added, as an aside: "You know, the home installation is the weakest link in TV generally. I'd like to see the industry do something about

it. It's a shame—because the stations generally put out good pictures."

Cost of expanding the system would be enormous, of course, but the argument is that this would still be much less than a ground-based system offering the same coverage—and that TV offers enormous savings when used to supplement conventional schoolroom techniques. Enthusiasts foresee both federal & state govts. making the appropriations when confronted with experimental results.

Educational TV factsheet on "current developments" has been issued by the Joint Council on Educational TV, 1785 Massachusetts Ave., NW, Washington 6, D.C. Prepared by JCET exec. dir. David C. Stewart, the 15-page report lists operating ETV stations. It also charts plans for stations that are proposed, reports actions of the FCC in the ETV field, and summarizes educational programming advances.

### Stations

KMBC-TV (Ch. 9) & KMBC Kansas City have been bought for \$10.4 million by Metropolitan Bestg. Corp. from Cook Paint & Varnish Co. Cook's KMOS-TV (Ch. 6) Sedalia, Mo. will be transferred by Metropolitan to the owners of KRCG Jefferson City, Mo. for \$200,000. Metropolitan has agreed to buy Cook's radio KFRM Concordia, Kan., which it will seek to sell, but will operate if not sold. In N.Y., Metropolitan Bestg. Co. officials told us 1960 will prove to be one of the station group's best years. Outlook at the moment is for gross 1960 earnings of over \$40 million and a net-before-taxes of \$4 million. We are also told not to be surprised if Metropolitan adds a 5th vhf station to its vhf-uhf string before mid-1961.

Token verdict of \$4 has ended a \$7,300,000 triple-damage anti-trust suit against the *Kansas City Star* by Craig Siegfried, ex-owner of radio KIMO Independence. A federal court jury in Kansas City set the \$4 figure for losses Siegfried claimed he suffered from monopolistic practices of the *Star* and its since-sold WDAF-TV & WDAF (Vol. 14:51 p4). The court, however, ordered the newspaper to pay Siegfried's court costs & counsel fees. Siegfried based his 2-year litigation on the *Star's* conviction on govt. anti-trust charges. He acknowledged, however, that he made a profit of several thousand dollars when he sold KIMO & 2 suburban newspapers he operated in *Star* territory.

Sale of WHTN-TV (Ch. 13) Huntington, W.Va. for \$1,925,000 by Cowles to Reeves Bestg. & Development Corp. has been approved by FCC (Vol. 16:43 p11).

Snowbound N.Y. agency timebuyers, gloomily listening to weather news in the suburbs, form a fine "captive" audience for a resort-area station pitch. Such was the theory of KOOL-TV & KOOL Phoenix, which ran a spot announcement series on radio WCBS N.Y.'s 6-10 a.m. Jack Sterling program in the wake of the Dec. 12 traffic-snarling snowfall. Comparing N.Y.'s chilly temperatures with those of sun-drenched Phoenix, and noting that New Yorkers would love nothing better than to escape their climatic plight, the announcements offered this business-angled consolation: "If you are a timebuyer and cannot get to Phoenix, you can get the full Phoenix market story by calling KOOL."

NAB's Radio Code Board under Chmn. Cliff Gill (KEZY Anaheim, Cal.) will meet Jan. 12-13 at Washington hq to review operations since they were restyled in June.

## Advertising

**73% of Top Agency Spending Goes to B'casting:** The top 10 air-media ad agencies in 1960 increased their spending for TV & radio to \$1.07 billion—73% of their entire expenditure of 1.46-billion ad dollars. In an end-of-year analysis, Dec. 19 *Sponsor* also found that the “average” agency among the top 50 air buyers invested 53% of its total billings in broadcast media.

These 1960-over-1959 increases were posted by the big 10: 1% for network TV, 13% for spot TV, 21% network radio, 6% spot radio.

The top air-media agency: J. Walter Thompson, which spent 55% of its estimated total \$275-million billings in TV-radio. In 1959, JWT's TV-radio investment totaled 49% of similar billings. The No. 1 agency in terms of emphasis on broadcast media: Ted Bates, with 81% of its billings earmarked for TV-radio.

**Agency buying habits:** Shops with annual billings of \$100-to-199 million spent an average 61% of their budgets for TV-radio, topping all other groups. Runners-up: \$50-to-99-million agencies, 53%; \$15-to-24 million, 52%; \$200-million-plus, 49%; \$25-to-49 million, 42%.

\* \* \*

Magazine lineage will be up almost imperceptibly—one-tenth of 1%—for 1960 over 1959, reports *Printer's Ink* in a preliminary statement. Final figures will be available next month. December itself is off 7.8% from Dec. 1959 for the magazines.

■ ■ ■

Oddest network sponsorship of season may well be credited to Mead Johnson & Co. subsidiary Edward Dalton Co. Ignoring all the standard TV precepts whereby the star of the show should at least look as though he uses & enjoys the sponsor's product, the Dalton firm has signed with ABC-TV as exclusive sponsor of its Sun.-night documentary series *Winston Churchill—the Valiant Years*. Dalton's hottest product: Metrecal.

Star-Crest Recording Co., Hollywood firm operated by Stephen F. Singer, has denied FTC charges that it used false royalty claims & other deceptions to obtain fees from song writers (Vol. 16:48 p8). Demanding dismissal of FTC's complaint, Singer conceded he made advertised claims cited in the case, but maintained FTC took them out of context so that they “assumed distorted meaning.”

S. Klein Dept. Stores Inc., N.Y., accused by FTC of making false price & savings claims in interstate newspaper & broadcast advertising, has countered the charge with arguments that the govt. agency hasn't established its local jurisdiction. Demanding dismissal of the complaint, Klein also denied that store customers were deceived by comparative prices listed in the cited advertising.

Of the 130 U.S. cities with population of 100,000 or more, 80 now have their daily newspapers under single ownership, reports the latest *Editor & Publisher*.

**Ad People:** Kelso Taeger named McCann-Erickson vp & media dept. mgr. . . . Sam Auerbach named vp-controller, Advertising, Radio & Television Services Inc. . . . Frank J. Fucito named Kenyon & Eckhardt vp . . . Lawrence J. Muhern and Lee W. Baer named Cunningham & Walsh vps.

## Obituary

Allen E. Braun, vp of North Advertising Agency, and Robert W. Ellis, 29, asst. producer, Benton & Bowles TV-radio commercial production dept., were killed in the Dec. 16 TWA-UAL airplane crash.

## Programming

**Specials on Film:** Allied Artists' informational films div. is planning a dozen film specials, with budgets of \$200,000 “and upwards” on each, we're told by exec. producer Jack Copeland. Realizing it would be too much of a gamble to make these for TV without a sponsor in sight, AA plans to release them abroad as theatrical features.

The first 2 specials (life of Albert Einstein; D. W. Griffith and early Hollywood days) go into production in February & March, and negotiations are now on with ad agencies for TV sponsorship.

Copeland's other projects include subjects such as the legend of the old West, George Washington Carver, and some in association with Pearl Buck. The producer believes the film special to be a wide open field that has been virtually ignored to date by the TV-film industry. He sees the potential as great because of the scope of film.

■ ■ ■

Taped-in-London special, packaged by Val Parnell, a dir. of Britain's Independent TV Program Co. Ltd., will be telecast next spring on NBC. Although various U.S. shows (notably Jack Paar's, with a week-long stand) have taped shows in the British capital, this is the first major live package from a British commercial TV firm to be signed by a U.S. network. The deal was arranged between Parnell, who runs London's famed vaudeville showcase, the Palladium, and David Tebet, NBC-TV talent-relations vp who has just returned to N.Y. from a European trip. Titled “A Night at the Palladium,” the 60-min. show will have as its host actor Laurence Harvey, best known to U.S. audiences for his “Room at the Top” film role. The show is a sort of “best-of-the-Palladium” effort—performances by featured British & American stars are being taped over a period of time at the Palladium during regular stage performances.

Nielsen “P.S.” to TV election coverage revealed these highlights: 91.8% of all U.S. TV homes tuned in for some part of the election returns. The average home in this group spent 4.3 hours watching the final race. This produced a total-home-hours figure of 186,750,000—a little better than double the total amount of time spent viewing the 1956 election. Each U.S. TV home (88% of all U.S. families) spent a total of 20 hours watching convention coverage, the 4 debates and the election reports (not including time spent viewing other pre-election political shows & specials). “The top-rated TV program *Gunsmoke* would require over 2 years of weekly telecasts to equal this volume of audience,” Nielsen added.

Network programming vps are the first appointees to the National Academy of TV Arts & Sciences' Telecast Committee. Thomas Moore (ABC-TV), Oscar Katz (CBS-TV) and David Levy (NBC-TV) will develop a special telecast on distinguished achievements in world-wide TV programming for the Academy's International Festival next fall (Vol. 16:51 p10). Upon its completion, the 3 networks will submit sealed bids for the telecasting rights, stated Telecast Committee Chmn. Henry S. White.

Lincoln radioscripts prepared & distributed by BMI as a contribution to sesquicentennial observances were presented to President Eisenhower at a White House ceremony Dec. 13. The presentation of an embossed leather-bound volume containing more than 70 scripts & a companion book, *Lincoln for the Ages*, was made by BMI Pres. Carl Haverlin, a Lincoln scholar.

## Networks

**NBC & RKO Win One in Supreme Court:** One court hurdle was passed last week by the NBC-RKO station deal when the U.S. Supreme Court declined to overrule a lower court decision. The high court let stand the ruling of Philadelphia Federal District Court Judge Kirkpatrick, which rejected Westinghouse Bestg. Co.'s efforts to present anti-NBC testimony (Vol. 16:27 p7).

The biggest hurdle remains, however. It's the FCC—which has lawyers studying about 30 pro & con pleadings & applications (including almost every imaginable filing by Westinghouse, Philco & KRON-TV San Francisco) to block the deal and, if possible, take Philadelphia & Washington TV licenses away from NBC.

No one, including FCC attorneys, can predict when it will end. There are also 2 more court proceedings—KRON-TV's attack in San Francisco's federal court and Philco's appeal in the D.C. Court of Appeals, from FCC's denial of its protest against renewal of NBC's WRCV-TV. ■■■

Feature-movie plans of NBC-TV in which a hand-picked premium-priced group of Hollywood features will be slotted on Sat. night at 9 p.m., are nearing the final stage after several months of top-level negotiations with film companies. The search for top product (preferably in color and with strong star names) has been spearheaded by David Levy, NBC-TV programs & talent vp (Vol. 16:34 p3). Young & Rubicam (of which Levy is an alumnus) has indicated strong interest in the program plan.

**THIRD OPTION PATTERN:** Contrary to trade guesses, NBC-TV's revised option-time pattern, announced to affiliates last week in an NBC bulletin, turned out to be almost the same as the recent revisions in CBS-TV and ABC-TV option periods (Vol. 16:50 p2).

Although NBC has a 60-min. film show slotted at 7:30 p.m. on 6 nights of the week (the taped-and-filmed *Shirley Temple Show* is seen on the 7th night, Sun. 7:30-8:30 p.m.), NBC chose to begin its nighttime option period at 8:30 p.m., running to 11 p.m., across the board. This, in effect, puts all 7 of the 7:30 p.m. shows out on a station-option limb. However, NBC's attitude is that most of them (i.e., *Wagon Train* on Wed., *Laramie* on Tue., *Bonanza* on Sat. at 7:30 p.m.) are strong enough to arrange their own clearances, even in station-option time.

Bridging the 10:30-11 p.m. period with network option time is also an interesting NBC move. In this time period, NBC, has fewer shows than CBS, with Wed., Thu. and Sat.-night 1030 p.m. periods having been returned to affiliates for syndicated shows or movies. NBC's strategy, therefore, is on a long-range basis (protecting future shows in a 10:30 p.m. slot) rather than an immediate protection for existing network programming. Since NBC is the only network with a post-p.m. show (*Jack Paar Show*), the movie is also seen as an added hedge against pre-emptions of Paar by stations to continue feature movies that may have started at 10:30.

NBC's weekday afternoon option-time pattern is identical to that of CBS, running from 2:30-5 p.m. and is an hour later (3:30-6 p.m.) on weekends. (See table below.)

### NEW OPTION-TIME SCHEDULES OF THE 3 NETWORKS

Effective Jan. 1, 1960

#### ABC-TV

		EASTERN	CENTRAL	MOUNTAIN	PACIFIC
<b>MORNING</b>	Mon. thru Fri.	10:30 a.m.—1:00 p.m.	10:30 a.m.—1:00 p.m.	9:30 a.m.—noon	10:30 a.m.—1:00 p.m.
	Sat. & Sun.	10:30 a.m.—1:00 p.m.	10:30 a.m.—1:00 p.m.	9:30 a.m.—noon	10:30 a.m.—1:00 p.m.
<b>AFTERNOON</b>	Mon. thru Fri.	2:00 p.m.—4:30 p.m.	2:00 p.m.—4:30 p.m.	1:00 p.m.—3:30 p.m.	2:00 p.m.—4:30 p.m.
	Sat. & Sun.	3:30 p.m.—6:00 p.m.	3:30 p.m.—6:00 p.m.	2:30 p.m.—5:00 p.m.	3:30 p.m.—6:00 p.m.
<b>EVENING</b>	Mon. thru Fri.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	7:30 p.m.—10:00 p.m.	8:30 p.m.—11:00 p.m.
	Sat. & Sun.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	7:30 p.m.—10:00 p.m.	8:30 p.m.—11:00 p.m.

#### CBS-TV

		EASTERN	CENTRAL	MOUNTAIN	PACIFIC
<b>MORNING</b>	Mon. thru Fri.	10:30 a.m.—1:00 p.m.	9:30 a.m.—12 noon	10:30 a.m.—1:00 p.m.	9:30 a.m.—12 noon
	Sat. & Sun.	10:30 a.m.—1:00 p.m.	9:30 a.m.—12 noon	10:30 a.m.—1:00 p.m.	9:30 a.m.—12 noon
<b>AFTERNOON</b>	Mon. thru Fri.	2:30 p.m.—5:00 p.m.	1:30 p.m.—4:00 p.m.	1:30 p.m.—4:00 p.m.	1:30 p.m.—4:00 p.m.
	Sat. & Sun.	2:30 p.m.—5:00 p.m.	1:30 p.m.—4:00 p.m.	1:00 p.m.—3:30 p.m.	1:30 p.m.—4:00 p.m.
<b>EVENING</b>	Mon. thru Fri.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	6:30 p.m.—9:00 p.m.	8:30 p.m.—11:00 p.m.
	Sat. & Sun.	8:00 p.m.—10:30 p.m.	7:00 p.m.—9:30 p.m.	6:00 p.m.—8:30 p.m.	8:00 p.m.—10:30 p.m.

#### NBC-TV

		EASTERN	CENTRAL	MOUNTAIN	PACIFIC
<b>MORNING</b>	Mon. thru Fri.	10:30 a.m.—1:00 p.m.	9:30 a.m.—12 noon	9:00 a.m.—11:00 a.m.	10:30 a.m.—1:00 p.m.
	Sat. & Sun.	10:00 a.m.—12:30 p.m.	9:00 a.m.—11:30 a.m.	8:00 a.m.—10:30 a.m.	10:00 a.m.—12:30 p.m.
<b>AFTERNOON</b>	Mon. thru Fri.	2:30 p.m.—5:00 p.m.	1:30 p.m.—4:00 p.m.	12:30-3 p.m.; 5:30-6 p.m.	1:00 p.m.—3:30 p.m.
	Sat. & Sun.	3:30 p.m.—6:00 p.m.	2:30 p.m.—5:00 p.m.	1:30 p.m.—4:00 p.m.	3:30 p.m.—6:00 p.m.
<b>EVENING</b>	Mon. thru Fri.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	6:30 p.m.—9:00 p.m.	8:30 p.m.—11:00 p.m.
	Sat. & Sun.	8:30 p.m.—11:00 p.m.	7:30 p.m.—10:00 p.m.	6:30 p.m.—9:00 p.m.	8:30 p.m.—11:00 p.m.

**Daytime Looks Brighter:** CBS may have an audience edge at night and ABC may be enjoying a hot sales streak in daytime (Vol. 16:51 p6), but NBC is out in front during the network morning & afternoon periods, garnering the biggest daytime audience and enjoying a sales boom too.

That's the gist of a report on NBC's daytime status circulated among that network's executives last week. According to the 2nd of Nielsen's Nov. NTI reports, covering the 10 a.m.-1 p.m., 2-5 p.m. periods: (1) NBC led in both average rating & audience share (7.1 rating & 33.6 share). (2) NBC's *Concentration*, 11:30 a.m.-noon keystone of the network's morning "game-show" block, scored an AA rating of 10.3 and an audience share of 50 to become the top daytime program.

Since daytime TV is enjoying a general growth (much of it due to the tight-as-a-drum situation in strong nighttime availabilities which creates an advertising spill-over into daytime), all 3 networks have little to complain of this season. Although CBS has lost its daytime rating edge, that network's schedule is still loaded with major spenders. And ABC, which doesn't crowd the other networks in daytime in any real degree of its nighttime rivalry, is making steady progress. The average length of ABC daytime lineups in Nov. 1958 (when ABC's daytime schedule was just getting started) was 83 stations for an 82.4% coverage factor. A year later, this had risen to 91 stations and 82.8% coverage. This season, it's up to 103 stations and 85.2% coverage with other markets joining regularly.

### NETWORK SALES ACTIVITY

#### ABC-TV

Winston Churchill—*The Valiant Years*, Sun. Jan. 1, 9:30-10:30 p.m., and subsequent Suns., 10:30-11 p.m., full-sponsorship.

Edward Dalton (Kenyon & Eckhardt)

Action cartoon series, Mon.-Fri., 5:30-6 p.m., participations eff. this month.

Wm. Wrigley Jr. (Erwin Wasey, Ruthrauff & Ryan)

Cheyenne, Mon. 7:30-8:30 p.m.; Adventures in Paradise, Mon. 9:30-10:30 p.m.; Roaring Twenties, Sat. 7:30-8:30 p.m., participations eff. April & June.

Mennen (Grey)

Walt Disney Presents, Sun. 6:30-7:30 p.m., participations eff. Jan. & Feb. respectively.

Simoniz (Dancer-Fitzgerald-Sample)  
Dow Chemical (MacManus, John & Adams)

The Law and Mr. Jones, Fri. 10:30-11 p.m., part. eff. Jan.

Simoniz (Dancer-Fitzgerald-Sample)

#### NBC-TV

Projection '61, Fri. Dec. 30, 9-10 p.m., news special, full sponsorship.

Gulf Oil (Young & Rubicam)

The Americans, Mon. 7:30-8:30 p.m., part. eff. Jan. 23.

Block Drug (Sullivan, Stauffer, Colwell & Bayles)

Dow Chemical (MacManus, John and Adams & Norman, Craig & Kummel)

Pan-American Coffee Bureau (BBDO)

Pepsi-Cola (BBDO)

Reader's Digest Services (J. Walter Thompson)

Everybody's Doin' It, Tues. Jan. 17, 10-11 p.m., one-time special, co-sponsorship.

Kitchens of Sara Lee (Cunningham & Walsh)

Timex (W. B. Doner)

### Film & Tape

**NETWORKS' PILOT PARTICIPATION:** Networks are getting into the pilot act earlier than usual. Either by financial participation or direct development, networks are involved in at least 30 pilots to date. The number likely will go up, with other negotiations now on.

NBC-TV is busy on a minimum of 10 projects; ABC-TV has 8; CBS-TV, 5; CBS Films, 4; Cal. National Productions, 4.

NBC-TV has financial ties with: tentatively titled 60-min. *Monte Carlo*, being produced by 20th Century-Fox TV; *Cain's 100* and *Woman in the Case* (each 60-min.) and *Andy Hardy*, all from MGM-TV; *Las Vegas Beat*, Goodson-Todman Productions; *87th Precinct*, Hubbell Robinson Productions; *Ski Patrol*, being produced by Bill Thomas & Sam White. On its own, the network is developing a 60-min. pilot, *The Big Tent*, *Panama* and *3 Men and a Girl*.

ABC-TV is financially linked with 2 QM Productions pilots—the 60-min. *The Happy Breed & The Impatient Years*; *Dr. Kate*, 60-min. pilot starring Jane Wyman, produced by Telman Inc.; *The Hathaways*, Screen Gems. It's also in negotiations for several 60-min. pilots at 20th Century-Fox TV, including *Bus Stop*, *Tanganyika* and *The Circus*. ABC-TV is also reported to have an interest in Warner Bros.' upcoming 60-min. project, *Solitaire*.

CBS-TV is backing a 60-min. pilot, *3 to Make Ready*, to be made by Tandem Productions; a 60-min. circus show at Revue Studios; and a Robert Young comedy to be produced by Eugene Rodney and Temopic Enterprise S.A. It is also developing a number of projects, including *Hurricane Island & Marina*.

CBS Films has a deal with Burlingame Productions' Jess Oppenheimer for the pilot of an action-adventure series, *The Rolling Stone*, *Mr. Dodd* and a Western, *Charles Russell*. Cal. National Productions is partnered with Starward Productions in the pilot of *3 White Hats*; has a deal with producer Sam Gallu for 2 pilots, and is talking about a project with Ray Singer & Dick Chevallat.

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**Screen Gems' Dozen Pilots:** Screen Gems, the Columbia Pictures TV-film subsidiary, is blueprinting about a dozen pilots for next season. Comedy, action and adventure comprise the principal formats. There'll be 60-min. as well as half-hour pilots, but not a single Western in the group.

Two syndicated projects are included—both action and already filmed: *Shannon*, starring George Nader, and *Man in the Middle*, starring Robert Sterling. Robert Sparks is producer of both.

Also filmed: *The Hathaways*, a comedy for ABC-TV starring Peggy Cass, Jack Weston and the Marquis Chimps, produced by Sparks. Being filmed: *The Insider* (60-min.), action, starring David Janssen, produced by Wm. Sackheim.

Other SG pilots include 3 comedies, *Archie*, *Hazel*, and *Bringing Up Mother*, and the 60-min. *Baron of Boston*, an adventure format, all being produced by Harry Ackerman. *Riviera*, action, starring Mike Connors & Quinn Redeker, and *The Daring Deeds of Donnie Drew*, adventure, both Greene-Rouse productions with SG. And *Safari*, 60-min. action-adventure, and *Empire*, half-hour action-adventure, both produced by Sackheim.

Another possibility is 60-min. *Grand Deception*, based on a volume of hoax stories by Alexander Klein. This would be a co-production of SG and Freddie Fields Associates Ltd. *Occupation: Female*, which SG plans for Polly Bergen, is a comedy drama being produced by Ackerman.

## Television Digest

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**Personals:** Bernard Goulet, Montreal producer, named member of Canada's Board of Best. Governors. BBG member Carlyle Allison elevated to vice chmn., succeeding Roger Duhamel, who has been appointed to head Govt. Printing Bureau as Queen's Printer. . . . Jim Walsh, KCMO-TV Kansas City newscaster, will join Justice Dept. staff in Washington as law school honor graduate in Jan. after receiving degree from U. of Kansas City. . . . Marvin D. Melnikoff, ex-research dir. of *Television* magazine, appointed Weed TV Corp. marketing & research dir. . . . Mrs. Elizabeth Bernard Harris named research mgr., ABC Radio. . . . Claron C. Spencer, Alan D. Hutchison & Angelo A. Iadarola become associates in Washington law firm of Wilkinson, Cragun & Barker . . . Harry M. Mohr, ex-WTVN-TV Columbus, named program mgr., WKRC-TV Cincinnati . . . Lewis H. Avery, Avery-Knodel, named pres., Station Representatives Assn.; Daren F. McGavren, named vp; Eugene Katz, Katz Agency, named treas.; Robert Dore, Bob Dore Associates, named secy.

Paul R. Swimelar, KOMO-TV (Seattle) sales mgr., voted "man of the year" by the Seattle Executives Assn. . . . John Silva, chief engineer, KTLA, elected pres., Society of Television Engineers.

Lyle Bond, ex-KNBS Walla Walla appointed sports dir., KFMB-TV San Diego . . . Dr. William P. Shepard, retired chief medical dir. of Metropolitan Life Insurance Co., joins Institute for Advancement of Medical Communication & its Council on Medical TV as associate dir.

New NAB Pres. LeRoy Collins will bring his administrative asst. John L. Perry with him when he leaves the Fla. governor's office to take over his Washington job next month. Gov. Collins said ex-newspaperman Perry "will serve as my personal asst., not in an administrative staff capacity." Perry's NAB assignments will include research, writing, observing industry meetings and serving as liaison man for Collins. He first went to work for Collins in 1955 following jobs with the *Buffalo Evening News*, *Tampa Morning Tribune* and *St. Petersburg Times*. Perry was Collins's representative in development of the Fla. Educational TV Network, and in Sept. 1959 moved to N.Y. to join staffs of the Midwest Council on Airborne TV Instruction and Learning Resources Institute. He rejoined Collins's staff last Feb.

## Auxiliary Services

**Army's Medical TV Menaced:** The 5-year-old TV div. at the Walter Reed Army Medical Center in Washington, which has pioneered uses of the medium for medical instruction & information, was threatened last week with almost immediate dissolution.

In a sudden budget-economy move, Surgeon General Leonard D. Heaton and Walter Reed's commanding officer Maj. Gen. Clement F. St. John ordered Dr. Paul W. Schafer, the civilian exec. dir. of the TV div., to prepare pink slips for dismissal or transfer of 38 of its staff of 57 on Dec. 30.

Dr. Schafer refused to comply at once in the hope that the order would be countermanded. "I really believe the problem will be solved," he told us. "But the solution isn't in sight yet, although a great many people are trying to get a stay in this precipitous execution." He said his appeals to the Surgeon General's office for reconsideration had been rejected so far, but that "20 or 30" Senate & House members already were up in arms over the order.

Dr. Schafer said the economy dismissals—represented by Gens. Heaton & St. John as necessary to provide money for other Walter Reed programs—might give the govt. a paper payroll saving of \$60,000 during the balance of the fiscal year ending next June 30. This would represent salaries (less payments for annual sick leave, etc.) of 31 civilians on the TV div. staff. Transfer of 26 enlisted staffers would save no money, he pointed out.

But Dr. Schafer argued it would actually cost the govt. several times the \$60,000 figure to eliminate the TV programming of medical techniques for military & professional groups. He cited Walter Reed's \$1-million production center, whose equipment would have to be put up for salvage at depreciation prices. And cancellation of the Army's 5-year microwave contract with the phone company, which has 4 years to run, would cost \$140,000 in penalties.

Operating now on a \$400,000 fiscal budget, the TV div. transmits live or filmed technical programs to points within the Walter Reed Medical Center establishment. They are carried via microwave to other nearby military posts such as Ft. Meade, Ft. Belvoir, Andrews Air Force Base and the Bethesda (Md.) Naval Medical Center.

No impact on CATV is seen by NCTA exec. dir. Edward Whitney in the N.J. court decision stopping a Wayne, N.J. tavern from charging customers for a buffet & N.Y. Football Giants games (Vol. 16:51 p9). Though the area is blacked out in the CBS-TV telecasts, the Circle Bar & Grill had used special pickup equipment to bring the games in. Said Whitney: "As I understand the decision, the judge ruled against the use of the signals as a 'performance for profit.' CATV provides an antenna service, nothing more."

CATV for Daytona Beach, Fla. was rejected in a recent referendum by a margin of 687 out of 5,309 votes cast. Community TV Systems of Fla. Inc. had sought a 30-year non-exclusive franchise. Reportedly, the measure was defeated by a last-minute campaign by dealers & technicians.

National Amusement, a division of NT&T, has been formed to operate the company's recently enlarged community antenna system in Williamsport, Pa. Also in the new division will be NT&T's Pacific Ocean amusement park and the exhibition & distribution of Cinemiracle Productions. Samuel P. Norton is pres. of the new division.

Translator starts: K70CC Susanville, Cal. started Dec. 14 repeating KOLO-TV Reno • K70CB Carrizo Springs & Crystal City has been carrying WOAI-TV San Antonio since Sept. 12.

## Summing up 1960: What did the year mean to the field of television? Here is Television Digest's annual report to you:

**Congress:** This was the year Congress finally did something about broadcasting. Public Law 86-752 (better known as S-1898, "Communications Act Amendments, 1960," or as anti-payola Harris-Pastore Act) was enacted. It was legislative monument to 3 years of FCC-TV-radio investigations by House Commerce Legislative Oversight Subcommittee, which in other sessions had been long on headlines & talk about broadcasting's sins but short on action.

"Anything could happen" to broadcasting in 2nd session of 86th Congress, we said at outset of year. And it almost did. Hodge-podge reform bill which emerged just under adjournment wire was much less monstrous than had been threatened by Oversighters, however. Payola, plugola and quiz-rigging were banned. FCC controls were tightened. But stations escaped punitive license-suspension penalties for misbehavior, and networks weren't put into license harness.

Congress gave pat as well as slap to industry, too. Vote of censure in Harris-Pastore Act was balanced by vote of confidence in resolution suspending Communications Act's equal-time Sec. 315 for Presidential tickets. All in all, considering raft of reform proposals which weren't passed, much-abused-&-bruised broadcasting came out of session in better shape than it had had reason to fear.

**Federal Communications Commission:** This was year of the big switch—from extreme laissez faire back to something like pre-GOP days. Harried by the Hill, Commission began tightening surveillance early in year, but tempo increased many-fold when Ford became chairman in March.

Notably, there were tough Miami Ch. 10 & Boston Ch. 5 "influence" decisions, strong anti-payola moves, new Complaints & Compliance Div., policy decision on FCC's programming role, shaving of option time, pay-TV hearing, short-term licenses. There were proposals to slow station sales, get more financial data.

On one of most important fronts—TV allocations—FCC's "new look" was still looking. Only one certainty developed: No more vhf from military services.

All in all, Commission didn't turn out to be the ogre some feared it might become as result of Congressional pressures. Generally, industry found it could still reason with the agency.

Our predictions at beginning of year held up well. Commission got tougher with rules violators. It questioned more operators on their promises vs. performance. It didn't revoke any licenses—but some licensees did sweat. And Comr. Lee did get his re-appointment.

**NAB:** NAB's year was darkly overshadowed by death in March of Pres. Harold E. Fellows at time when industry was buffeted—as never before—by storms whipped up by exposés of quiz & payola scandals. Policy rudder was taken over firmly by 3-man committee headed by broadcaster Clair R. McCollough, however. Washington hq staff, reorganized & strengthened, took on administrative responsibilities which had been carried single-handedly by Fellows for 9 years. And NAB ended 1960 bigger—and perhaps better-organized—than ever.

All-time highs in members & subscribers to self-regulating rules will be reported to new NAB Pres. LeRoy Collins when he assumes leadership of industry Jan. 4. At end of 1959, when many hold-out TV & radio stations already had flocked in self-protection to NAB's banner, roster reached 341 TV & 2,000 radio members. TV Code supporters totaled 354 stations then; Radio Code pledges mounted to 900. Current counts: 362 TV members, 383 TV Code subscribers; 2,260 AM & FM members, 1,088 Radio Code subscribers. (See also Industry Self-Regulation, p. 10.)

"Year of resurgent strength & prestige" for NAB was predicted by us before unexpected death of Fellows. McCollough & Co. bore out that prediction & others: (1) Codes "will take on new & real meanings for stations & public alike." (2) "There will be tougher NAB supervision of subscribers' behavior." (3) "Fast-buck operators will begin to think twice about offending NAB."

Nobody at NAB hq would boast that year of interregnum was time of unbroken triumph against industry's attackers. But there were real advances—and not only in numbers. Increasing display by stations of Code seals in public indicated they were paying more than lip service to good-taste rules. TV Code was broadened, Radio Code was toughened with enforcement teeth for first time. Code staffers

did missionary work with film producers & ad agencies to stop trouble at sources. Unlike other years, no revolts by TV Code subscribers against restrictions were started. And on legislative front, where dangers to industry were constant threat, NAB staffers did some skillful infighting which did much to save broadcasting from punitively repressing laws.

**Industry Self-Regulation:** Closer-than-ever control of programs & commercials through new network & industry machinery was in clear evidence during 1960, as we predicted a year ago. In program area, CBS and NBC issued written & verbal directives to producers concerning overt violence in dramatic shows (Vol. 16:6 p6); movie features—particularly some earthy items in post-1948 crop—received careful pre-telecast screenings, and NAB's Hollywood Code office opened as a pre-production advisory service to producers. Early in year, networks & stations implemented internal directives designed to forestall any future payola-quiz scandals (Vol. 16:9 p8 et seq.). Interestingly, TV became more "liberal" than ever in some dramatic specials, notably NBC's Sacco-Vanzetti documentary and NTA's tape-syndicated, full-length version of O'Neill's "The Iceman Cometh."

General standards-tightening in TV commercials was also a 1960 trend, as expected. The 4A issued a new TV interpretation of its 23-year-old copy code (Vol. 16:4 p7), and later joined with ANA to establish a 20-man Committee for Improvement of Advertising (Vol. 16:41 p2). AFA performed a parallel function at local-regional level with publication of an advertising "Truth Book," and NAB opened a N.Y. Code office which quickly became, under ex-NBC censor Stockton Helffrich, a focal point of pre-production clearance of TV commercials (Vol. 16:32 p10). CBS, a front-runner in much of the post-quiz cleanup, issued a new set of "guide lines" to agencies & advertisers (Vol. 16:14 p14), and other networks & station groups set up tighter screening procedures. Net effect of these & other measures by year's end was a notable improvement in quality & honesty of TV commercials.

**TV's Election-Year Role:** Industry leaders could point with pride to job done by TV-radio during the hard-fought Presidential campaign. Lifting of Sec. 315 by Congress in response to pleas by top network officials & other leaders (Vol. 16:35 p1 & 4) opened door to extensive new political coverage, although it cost all 3 networks a considerable sum in lost paid-political revenue. Huge TV audiences followed largest-yet coverage of Democratic (Vol. 16:29 p5) & Republican (Vol. 16:30 p4) conventions.

Then came something new: the all-network debates between the 2 major candidates—now likely to be a fixture in future campaigns—plus heavy concentration of pre-election political specials. Election-night coverage was massive audience success (Vol. 16:43 p3). It took over 3,000 newsmen, technicians, commentators, et al. and as-yet-untotaled millions of dollars to accomplish the 3-network 1960 political coverage. But even TV's toughest critics had to admit that the results gave new stature to TV, and regained much of the public confidence lost at time of quiz scandals.

**Network Programming:** Film grew in strength as the backbone of nighttime programming during 1960. By mid-year, only 18 of 74 weekly nighttime network program hours were live or tape. Rest were film, with 60-min. shows gaining favor with networks & advertisers (Vol. 16:27 p11).

Network financial participation in residual profits was another trend in programming. Networks had a thumb in financial pie of more than half of all nighttime shows when fall lineups were finally blueprinted (Vol. 16:28 p3 & 8). Our predictions in these areas last January proved correct (Vol. 16:1 p3).

Fall season's first national rating reports showed that rivalry between 3 networks had narrowed considerably, with less than 2 AA points representing spread between first & 3rd place and with NBC in strong 2nd place (Vol. 16:47 p3). Later reports showed ABC the winner, and still later CBS.

Public-affairs programming, as forecast, came into its own during 1960. Early in year, all 3 networks adopted basic proposal of then-FCC Chmn. John C. Doerfer to set minimum goal of 60-min. weekly in prime time for public-service fare. Move, in effect, opened season on new public-affairs planning. NBC & CBS promptly began planning a new crop of informational & cultural shows (Vol. 16:16 p11). By fall, "image-building" programming, much of it utilizing production techniques of straight entertainment shows, was frequent sight on all 3 networks, and advertisers could count several successes.

Individual stations, too, moved strongly into the public-affairs programming picture—with sufficient impact to allow TIO dir. Lou Hausman to point with gratification at the growing leadership of broadcasters in local community affairs.

**Courts & Justice Dept.:** FCC ran up impressive string of victories in courts—with a few exceptions. When Congress was flailing Commission, courts began doing same. When Congress let up, courts seemed to do so, too. Maybe it was coincidence. Maybe it was careful FCC decisions. Maybe it was good Commission trialsmanship. However, judges were jealous of their prerogatives, and became irritated when they thought Commission was ignoring their instructions on how to handle "influence" cases.

FCC-Justice Dept. relations weren't exactly cordial at year's beginning, what with Attorney General Rogers telling President Eisenhower that agency's operations left much to be desired and with Commission continuing network option time despite Justice's opinion that it's illegal. Mood improved noticeably by year's end, due in no small part, undoubtedly, to fact that FCC Chmn. Ford had worked for Rogers several years as a top assistant and had his strong backing for chairmanship.

**New Station Starters:** This year again saw 24 new TV outlets—repeating last year's record (Vol. 15:52 p4). Last January we predicted that not more than 25 new stations would get going and that at least 5 would be educational non-commercial outlets (Vol. 16:1 p3). Actually 7 of this year's 24 were in the non-commercial category. (For list of 1960 U.S. & Canadian starters as well as stations that went off air, see p. 15).

**TV Station Sales:** The year's transactions emphasized the trend toward multiple ownership. Prime example was Reeves Bcstg. & Development Corp. which began by expanding its holdings in WUSN-TV Charleston, S.C. from minority ownership to control (Vol. 16:29 p11) and then proceeded to buy KBAK-TV Bakersfield, Cal. and WHTN-TV Huntington, W.Va.

Metropolitan Bcstg. Corp. at press time announced biggest buy of year, acquiring KMBC-TV & KMBC Kansas City from Cook Paint & Varnish Co. for \$10.4 million, bringing its holdings up to 4 vhf & 2 uhf (details on p. 4).

Transcontinent Television Corp., in year's 2nd biggest deal, also bought Kansas City outlets—WDAF-TV & WDAF—for \$9.75 million, making its total holdings 5 vhf plus control of a uhf.

RKO General added a 6th outlet, WHCT (Ch. 18) Hartford, Conn., as part of a plan with Zenith for experimental subscription TV (Vol. 16:23 p6).

The Friendly Group added a 5th TV outlet to its holdings.

Wometco Enterprises is acquiring its 4th TV, and the following acquired a 3rd station during the year: NAFI Corp., the Rollins group and WAVE Inc. Some 10 others became multiple station owners by acquiring full or partial interest in a second outlet.

Contrary to the trend went the Gannett interests which sold WDAN-TV (now WICD) Danville, Ill. and the Taft Bcstg. Co. which sold WBIR-TV Knoxville.

Still pending are the NBC-RKO station swaps resulting from a federal court consent judgment requiring NBC to dispose of its Philadelphia stations (Vol. 15:39 et seq.).

Following sales were cancelled: United Artists' \$7 million purchase of KFSD-TV & KFSD San Diego; Paul F. Harron-Gordon Gray's \$3.1 million purchase of KSBW-TV & KSBW Salinas-Monterey; Connie B. Gay's \$1.85 million purchase of KFEQ-TV & KFEQ St. Joseph and radio KLIK Jefferson City.

**AFTRA & SAG** won a sizable 1960 talent victory without resorting to full-scale strike. Last spring, AFTRA told us that new contracts covering raises in spot & network talent scales would be sought in the fall (Vol. 16:20 p4). It was no empty promise; as fall season got under way (Vol. 16:42 p11), AFTRA, joining with SAG, sought stiff talent pay hikes for spot tape & film commercials, as well as increased scales for network live & tape performers. A major strike threatened almost at once as agencies & advertisers sitting in on network negotiations balked at new prices. AFTRA, meanwhile, hammered out a precedent-setting formula for pay-TV talent scales, then bided its time until networks threw in the towel and accepted AFTRA-favored compromise contract (Vol. 16:46 p3, 49 p2). In all, it had been a tense year on talent fronts, but all major labor hassles were at least resolved.

**Educational TV:** For always-impooverished but always-ambitious ETV, year was one of steady if unspectacular progress all along line, marked by one big reverse & one big advance. At start of year, when 45 ETV stations were operating, we figured "50 or more" would be on air by end of 1960. Actually, 7 new non-commercial stations made it (vs. 9 in 1959), making total 52. Big reverse was handed out by House

Rules Committee, which killed federal-aid-to-ETV legislation after Senate approved it and House Commerce Committee endorsed it. Big advance came when \$7-million Ford Foundation-backed Midwest "Stratovision" project got off ground with preparations for test flights. Demonstration telecasts begin Jan. 30, 1961.

On other ETV fronts: (1) NET's savvy programming made it look more & more like real network. (2) Texas lined up with half-dozen other states for statewide ETV scheduling. (3) Use of closed-circuit installations spread, although there was doubt at year's end about future of Hagerstown pilot project. (4) ETV programming by commercial stations became commonplace instead of exceptional examples of public-service TV.

**Network & Spot Business:** Our prediction of "record amount" of TV ad revenue in 1960 despite quiz-scandal problems proved correct. TvB's calculation for 1960's gross network & spot TV spending (combined) is \$1.6 billion—or 13.9% of all media spending (\$11.7 billion). Advertisers' TV expenditures rose 9% over 1959. Network gross-time spending hit a new high of \$680 million—up 10% over 1959. National & regional spot rose 7% to reach \$650 million.

**TV-Film Production:** TV film continued to set financial & production records, despite a general lack of "quality" in the thousands of films turned out by Hollywood. Industry production mounted to \$150 million (last January we predicted \$155 million).

Major-studio film companies' operations were lusterless, although in some instances (Warner Bros. & Screen Gems) they had volume. It was increasingly evident the independents such as Revue & Four Star were the giants of the industry. Major labor problems, pinpointed by the Writers Guild of America & Screen Actors Guild strikes, were resolved in what undoubtedly was the industry's most turbulent year. WGA's 6-month strike vs. TV was settled with a historic "royalty concept" established for writers.

We were right last December about: (1) Resurgence of comedy. (2) Fewer Westerns. (3) More family series. (4) Producers making many pilots, despite risk. (5) Independents dominating TV. (6) Revue leading the independents, Screen Gems the majors. (7) Networks' TV-film production operations increasing. (8) TV guilds getting part of residuals & minimums they sought. (9) Less concentration on stars for series. (10) Major studios would be struck over post-1948 movie issue. We were wrong about: (1) Producers seeking offbeat & musical series. (2) Movie & TV-film industries reaching agreement on establishment of registration bureau to avoid title conflicts. (3) Reduced production of 60-min. series.

**Post-1948s & Syndicated Telefilms:** Our timetable was off in a feature-film prediction a year ago: "No early end in sight to the wrangling between Hollywood majors & talent guilds on TV residual formulas for release of post-1948 movies." Payment formulas emerged sooner than expected when 1960 strikes by Writers Guild of America & Screen Actors Guild against major studios forced settlement. With green light at last, majors began opening their post-1948 film vaults.

Ice-breaking move was made by Warner Bros. and 7 Arts (Vol. 16:29 p7), and others followed (although some, like MGM and Paramount, are still fence-sitting). A number of distributors launched post-1948 packages (Lopert, TPI, Flamingo Films, Colorama Inc., Showcorp of America)—climaxed in 1960 by Screen Gems' marketing plans for 200 post-1948 Columbia Pictures.

Block-booking practice was outlawed, however. Although Screen Gems won an anti-trust battle with the govt. in N.Y. concerning distribution of Universal's pre-1948 movies, a late-year ruling definitely ended obligatory purchase of pictures by stations in large packages (Vol. 16:50 p5).

Our forecast for "limited growth" in domestic syndication and mild boom in overseas telefilm sales was right on target. Syndicators continued to find U.S. market tight, and played it so cautiously that by late year there was shortage of new syndicated shows. Foreign market continued to be plagued by problems of preferential quotas & artificial prices, but some progress was made (Vol. 16:22 p4). In syndication's biggest 1960 corporate deal, privately-held Ziv TV was purchased by United Artists for \$20 million (Vol. 16:11 p5).

**Federal Trade Commission:** "Chmn. Earl W. Kintner, a staunchly Republican free-enterpriser, will make new history for FTC as guardian of public against advertising & merchandising gyps," we said in Jan. 1960. And that he did. Through no administrative fault of his own, Kintner also worked himself out of his job by staying Republican.

All advertising & merchandising felt stinging impact of FTC under crusading Kintner this year, and

no segments felt it more than broadcasting & broadcasting-related enterprises. High-budget or low-budget, TV sponsors found that they couldn't get by with commercials which used hyped-up claims or camera trickery to sell their products. Big-time & hole-in-the-wall record promoters learned (much to their professed surprise) that payola was illegal.

Kintner can claim credit as he leaves office for doing as much as anybody in past 12 months to re-awaken advertising industry to ethical needs of self-restraint & self-regulation. Record firms & disc jockeys will be the first to acknowledge that if any one man was responsible for drying up payola sources, it was Kintner more than anybody in Congress, FCC or NAB.

**Community Antenna Systems:** CATV pulled a miracle, beating down a licensing bill by 39-38 Senate vote—through direct, unabashed, lobbying. Meanwhile, more & more big investors asked themselves: "Where have we been?" and plunked down up to 7 figures for systems or groups. CATV ran into snag at FCC as small-market stations succeeded in slowing expansion of microwaves used to bring signals from big-market stations, forcing Commission to schedule hearings. But CATV forces, anxious to smooth out trouble spots and deflect restrictive legislation, were achieving considerable success in persuading station & CATV operators to compose differences outside hearing rooms.

**Pay TV:** After more than a year's operation, Telemeter's cable experiment was inconclusive at best—as far as outsiders could learn, and they seemed to learn fairly well by extensive surveying. Then RKO & Zenith joined to propose off-air tests in Hartford. FCC gave them and their theater-owning opponents 5 full days to argue the pros & cons. Results: inconclusive at best. Just about everyone—except exhibitors—seemed weary of the argument. FCC staff recommended approval of test, with carefully spelled out conditions.

**Closed Circuit:** Activity in this TV field increased steadily. TelePrompTer sought a permanent 8-city AT&T network in summer (Vol. 16:31 p8). And Teletalent Inc. estimated that 1960 spending for all closed-circuitcasts for sales, business, professional and stockholder meetings, telecast auctions, sports events etc. would hit \$9.5 million—up noticeably from \$7.2 million in 1959 & \$3.8 million in 1958.

**Foreign TV:** Active foreign expansion of U.S. broadcasters continued during 1960. For most part, deals involved U.S. & foreign partnerships in new TV stations, networks or production facilities. ABC was easily the most aggressive U.S. network in this area, with 1960 deals including: Formation of the Central American TV Network (CATVN) with ABC as 51% owner and U.S. sales agent (Vol. 16:8 p9). Purchase of minority interests in 3-station Venezuelan network (Vol. 16:33 p9). Projected network in Lebanon (Vol. 16:34).

CBS Stations div. arranged to serve as "special consultant" to West German group planning commercial network there, and joined Latin-American broadcaster Goar Mestre in forming program-production center in Argentina (Vol. 16:24p7 et seq.) Underlining an obvious danger in foreign investment, however, were Castro's seizure of all Cuban TV stations, his ban on U.S. telefilms and his expropriation of U.S. TV interests (Vol. 16:5 p3 et seq.).

It's small wonder investors are willing to take such risks on foreign TV—1960 saw real wildfire growth of TV abroad. TV outside of U.S., Canada & their possessions had its biggest year of growth. Nearly 10 million new sets were added to overseas audience for total of about 43,750,000, while some 300 new stations went on air to make some 1,385 operating TV transmitters. Growth was fastest in free-world areas which have commercial TV—particularly in Japan and commercial-TV countries of Europe.

**FCC Widens Space Probe:** Out-of-this-world space communications issues in FCC's prosaically-named Docket 11866 inquiry (Vol. 16:50 p9) have been expanded in response to "interest in this proceeding." Participating parties are asked to file 30 instead of 15 copies of comments by the March 1 deadline.

In its Dec. 22 announcement of the augmented space inquiry, FCC said: "It seeks comment on whether & what protected geographic areas might be established & held in reserve for future earth terminals for civil communications systems via space relays.

"It added that if such a concept were adopted, it might be advisable to prohibit, for example, the use of certain

frequency bands between 1,125 mc & 10,000 mc within 'X' miles of a given site for any use other than space communications."

FCC also said that because of "the urgency" of space issues, it wouldn't be precluded from making space allocation grants while the proceedings are pending.

\* \* \*

Space communications system which uses ultraviolet light for transmitting signals is being developed by Westinghouse. Its "Ultracom" system, Westinghouse says, will extend the range of satellite communications up to 50 times that of radio, radar, TV. The company also claims a "first" in ultraviolet-transmission of TV pictures.

# Chronology of 1960's Major Television Events

Dates shown are of the issues of TELEVISION DIGEST in which these accounts appeared.

**January 4**

NBC's station-swap moves continue as the network prepares to trade its Philadelphia o&o's.

CBS-TV launches drive against free plugs in TV film.

**January 11**

FCC proposes interim allocations plan: short-spaced vhf drop-ins. Attorney General Rogers reports to President Eisenhower on means of improving FCC & FTC operations.

**January 18**

FCC Chmn. Doerfer suggests networks adopt a plan for prime-time public-service programs.

SEC opens hearings for Skiatron Electronics & TV on false-&-misleading stock registration charges.

CBS issues a guide to its o&o stations for on-the-air editorials.

Writers Guild of America strikes TV film & movies.

**January 25**

A new 3-network public-affairs agreement is adopted; sets a minimum goal of at least an hour per week in evening option time.

4-A issue a new TV interpretation of its 23-year old copy code.

**February 1**

FCC proposes short-spaced vhf drop-ins for Providence & Grand Rapids-Kalamazoo.

Testimony in FCC programming inquiry presented by Sarnoff, Stanton, Fellows, Seymour & McGannon.

**February 8**

Senate Commerce Subcommittee conducts hearing on TV allocations. Wrather buys into Jerrold Electronics Corp.

House Commerce Legislative Oversight Subcommittee reports its TV quiz hearings uncovered "sordid commercial scheme," recommends sweeping legislative reforms.

ANA votes for a new client-level program of TV-radio-print ad cleanup.

CBS-TV and NBC-TV issue written and verbal directives to producers re violence on TV.

TelePrompTer buys 2 CATV systems.

**February 15**

FCC proposes anti-quiz-rigging & anti-payola rules.

CATV rate patterns analyzed.

Oversight Subcommittee starts payola hearings.

**February 22**

FCC asks uhf CP-holders to justify non-construction.

First Central American TV network, joining 5 TV outlets in 5 countries is announced by ABC-TV, 51% owner.

**February 29**

Telometer starts wired pay TV in Etobicoke, Toronto suburb. NBC buys KTVU San Francisco, draws opposition from KRON-TV which loses NBC-TV affiliation.

Cuba's Castro issues a ban on all foreign-made TV & motion picture commercials.

**March 7**

Screen Actors Guild strikes major movie studios. One issue: residuals to actors for post-1948 movies sold to TV.

Accused record firms start lining up to sign FTC consent orders against payola.

The top 10 ad agencies billed \$708.9 million in TV during 1959, according to *Advertising Age's* annual billings report.

**March 14**

Ford becomes FCC Chmn. after Doerfer resigns in Storer "yacht incident."

NAB Pres. Harold E. Fellows dies.

United Artists buys Ziv TV Programs, one of the biggest syndication producer-distributors, for \$20 million.

CBS distributes a new set of "guide lines" on taste & time standards in TV commercials to agencies.

**March 21**

WGA strikes TV film at networks.

Warner Bros. suspends 3 actors under force majeure clause; blames WGA strike.

**March 28**

KFRE-TV Fresno agrees to shift to uhf.

Edward K. Mills nominated for FCC vacancy.

**April 4**

Zenith & RKO General join forces to request Hartford pay-TV test. TVB reports spot sales rose 18% in 1959—to \$605,603,000.

**April 11**

SAG ends strike against major movie studios. TV-residual issue for post-1948 movies is compromised.

NAB convention in Chicago reappraises industry. Castro prepares to seize CMQ-TV network after freezing Mestre fortunes and taking over CMBF-TV Cadena Nacional, to put all TV under govt. ownership.

**April 18**

CBS and NBC blueprint a new crop of cultural shows in wake of quiz scandal.

**April 25**

Minnesota Mining & Mfg. buys MBS for \$1.3 million.

NAB financial survey promises a good year for TV & radio.

**May 2**

Network TV advertising is 11% above last year.

**May 9**

Ford reiterates his philosophy of station responsibility & violence.

**May 16**

FCC asks for laws to tighten network regulation & station sales. AFTRA's plans for future network contract re-negotiation are discussed by National Secy. Donald F. Conaway.

"Violent" shows top large film casualty list.

House Rules Committee kills federal-aid-to-ETV legislation.

Producers sign new contract with directors.

**May 23**

FCC establishes Complaints & Compliance Div. to examine station broadcasters more closely.

Comedy dominates buying for fall season.

Senate kills CATV-licensing legislation.

Mills withdraws nomination to FCC because of conflict of interest. Network TV's first quarter gross-time billings are 18% ahead of the year-ago volume.

**May 30**

Four Star Television challenges Revue's dominance.

**June 6**

N. W. Ayer & Son media vp Leslie D. Farnath warns station reps that the agency will set up its own time-buying squad unless stations stick strictly to card rates.

**June 13**

WGA ends strike against major movie studios.

CBS stations div. to serve as a special consultant to West German group planning a commercial net; will join with Goar Mestre to plan a program-production center in Argentina.

**June 20**

WGA ends 22-week strike against TV film.

Senate Commerce equal-time "watchdog" subcommittee set up.

CBS-TV increases from 2 to 4 the number of pre-emptions to which sponsors must agree in election year.

**June 27**

WGA ends its strike against network film.

NCTA convention votes opposition to CATV-control legislation.

Robert E. Lee confirmed for another FCC term.

**July 4**

Charles H. King given recess appointment to FCC.

Congress legalizes vhf boosters.

House passes TV-radio reform bill outlawing payola.

Senate approves suspension of Sec. 315 for TV debates by Presidential tickets.

New figures show that of 74 weekly nighttime program hours on the networks in the 1960-61 season, only 18 will be live or tape.

SAG and TV producers agree on new contract.

**July 11**

Networks have thumb in financial pie of more than half of all shows, survey indicates.

**July 18**

FCC decisions crack down on Miami & Boston "influence" cases.

TV Democratic convention coverage draws big audiences, with NBC taking rating lead.

Screen Gems wins anti-trust battle with the govt. in N.Y. District Court concerning distribution of Universal's pre-1948 backlog.

Activity in post-1948 film sales increases as logjams break.

**July 25**

Jerrold sells its 9 CATV systems.

ABC-TV creates a subsidiary to film shows.

**August 1**

Storer Bestg. Co. signs option to buy WINS N.Y. from Gotham Bestg. Corp. for \$10 million.

More deals reported for post-1948 feature-film packages.

FCC issues report outlining policy on station programming, presents conclusions of long inquiry.

**August 8**

Screen Extras Guild signs contract with TV-film & movie producers.

William Morris agency's record year: sells 25 network series.

Industry leaders predict 1960 revenues will rise 9-10%.

Earliest pilot push: 74 being prepared for 1961-62 season.

Network TV's first-half gross time billings are 8.9% ahead of the year-ago volume.

Networks slash prices of unsold shows as sales season ends.

**August 15**

Record \$150 million to be spent in Hollywood for TV-film production.

ABC-TV signs a 1-year renewal contract with A. C. Nielsen Co.; other networks on the fence.

ABC's international div. buys a minority interest in a planned 3-station Venezuelan TV network.

**August 22**

Agencyman says co-op market for telefilms is being overlooked.

OCMD tells FCC it can't give military vhf spectrum to TV.

**August 29**

Three studios preparing 90-min. weekly film series: Warner, Paramount and MGM-TV.

Senate modifies, then passes TV-radio reform bill.

House approves Sec. 315 suspension.

**September 5**

FCC issues report on 1959 broadcast financial performance showing 29.3% profit increase over 1958.

Networks step up film production.

House accepts Senate changes in TV-radio reform bill.

President Eisenhower calls for White House conference on regulatory agency problems.

Oscarcast is signed by ABC in long range deal.

**September 12**

KRON-TV San Francisco applies for Ch. 4 Washington, occupied by NBC's WRC-TV.

**September 19**

Era of small independents in TV vanishing.

FCC votes 4-3 to cut option time segments from 3 to 2½ hours.

FCC examiner Stern recommends Miami Ch. 7 decision be voided and 3 applicants disqualified.

**September 26**

Lifting of Sec. 315 to cost networks a large sum in lost revenue from paid political telecasts.

Fla. Gov. Collins selected as NAB president.

**October 3**

First of the TV-radio debates on all 3 networks is a big success; may alter technique of Presidential politicking.

**October 10**

ANA and 4-A establish a new 20-man Committee for Improvement of Advertising (including TV).

Comments filed in FCC's interim allocations proceeding.

NAB's TV Code Review Board bars commercial for cocktail mixes.

SEC suspends Skiatron Electronics & TV stock registration.

**October 17**

FCC quizzers learn how networks have increased series ownership. Fla. Gov. LeRoy Collins elected NAB pres.

NAB starts fall conferences.

Thurman Whiteside acquitted of Miami Ch. 10 conspiracy charges. Illness prevents retrial of co-defendant ex-FCC Comr. Richard A. Mack.

AFTRA presents demands to the networks; they're "stunned."

**October 24**

Senate's equal-time "watchdog" unit calls for all stations' reports. FCC moves to ease border TV allocations in Canadian-Mexican talks. MCA defies FCC quiz in Hollywood, refuses to testify.

AT&T proposes satellite capable of handling TV.

Standardized contract forms are developed by the Station Reps Assn. and 4-A.

**October 31**

Plug specialists won't talk to FCC probers.

FCC conducts 5-day hearing on Zenith-RKO proposed Hartford pay-TV test.

AFTRA and International Telemeter draft a precedent-setting pay-TV contract covering talent in taped or live pay-TV specials.

Sales drive on post-1948 films shows first big results.

**November 7**

AFM signs contract with major movie studios.

Telemeter is not yet a success in Toronto, say independent studies.

Shupert quits as MGM-TV vp in policy clash.

Revocation proceedings started against radio KWK St. Louis; fraudulent contests alleged.

Industry tells FAA that FCC has final word on tall-tower approvals. FCC considers restraints on station sales, restricting transfers of those held less than 3 years.

FCC moves to require more financial data from stations.

NCTA picks Dalton for president.

**November 14**

Details of U.S.-Mexican border TV assignments disclosed.

Harrington describes workings of FCC Complaints & Compliance Div. FCC considers revising of program portion of application & renewal forms.

TV scores a massive audience success on election night.

AFTRA-SAG strike threatens the networks and spot advertisers.

**November 21**

Producers cutting down on sex & violence in TV.

KTTV Los Angeles appeals FCC option-time decision.

FCC acts to implement provisions of new law governing pre-grant and public-notice procedures.

Major studios having trouble in new TV season.

Nielsen shows a real 3-network competition for the first time with less than 2 average-audience rating points between first and 3rd place. Shell Oil and agency Ogilvy, Benson & Mather abandon the 15% media-commission system.

**November 28**

Hollywood gloomy, sees axing of 40 series.

Unbuilt uhf CPs canceled by FCC.

SAG collects record \$6.5 million in residuals.

FAA spokesmen say FCC still has final yes-or-no on towers, claim industry is "too apprehensive."

A TELEVISION DIGEST survey shows local TV stations registering big sales successes for auto advertisers.

ABC-TV takes first place, for the first time, in nighttime network Nielsen ratings.

**December 5**

James Garner wins *force majeure* suit vs. Warners.

Few new comedy series are doing well.

TV-film producers unhappy with amortization method of taxation.

FCC proposes 3rd vhf for Syracuse & Rochester, resumes allocations policy discussions.

Screen Gems sells 200 Columbia post-1948 features to all CBS o&os.

**December 12**

FCC starts rule-making to bar "trafficking" in stations.

CBS & ABC revamp option time without major program shakeup.

2nd Canadian TV network gets conditional go-ahead from BBG.

Film extras sign pact for TV commercials.

**December 19**

CBS & NBC urge repeal of Sec. 315.

FCC moves against management payola.

CBS shuffles news operation, names Salant chmn. of news executive committee.

## TV Stations Starting During 1960

With List of Those Which Left Air During Year

Listed in order of on-air and off-air dates.

Dagger (†) indicates educational non-commercial outlet.

### U.S. TV STATIONS STARTING

Call Letters	City & State	Channel	Date	Net-work
KNBS	Walla Walla, Wash.	22	Jan. 3	ABC-TV
KDSJ-TV	Deadwood, S.D.	5	Jan. 6	1
†KRET-TV	Richardson, Tex.	23	Feb. 29	—
WSLA	Selma, Ala.	8	March 17	None
†KFEC-TV	Tacoma, Wash.	56	April 1	—
WKBG-TV	Caguas, P.R.	11	April 22	None
WOLE-TV	Aguadilla, P.R.	12	April 22	None
KHJK	Hilo, Hawaii	13	May 15	2
†WGTV	Athens, Ga.	8	May 23	—
KORN-TV	Mitchell, S.D.	5	June 12	3
WJPB-TV	Weston, W.Va.	5	June 22	ABC-TV
†WGTE-TV	Toledo, O.	30	July 1	—
WPCA-TV	Philadelphia, Pa.	17	July 10	None
KSOO-TV	Sioux Falls, S.D.	13	July 31	NBC-TV
†KERA-TV	Dallas, Tex.	13	Sept. 11	—
†WFSU-TV	Tallahassee, Fla.	11	Sept. 13	—
KCBY-TV	Coos Bay, Ore.	11	Oct. 1	4
†KCWS-TV	Ogden, Utah	18	Oct. 3	—
KEYC-TV	Mankato, Minn.	12	Oct. 5	NBC-TV
WXTV	Youngstown, O.	20	Nov. 15	None
KCND	Pembina, N.D.	12	Nov. 15	ABC-TV
KVOG-TV	Ogden, Utah	9	Nov. 23	None
WTVI	Fort Pierce, Fla.	19	Nov. 22	CBS-TV
KEZI-TV	Eugene, Ore.	9	Dec. 19	ABC-TV

<sup>1</sup>Satellite of KRSD-TV Rapid City, S.D., NBC-TV affiliate. <sup>2</sup>Satellite of KHVH-TV Honolulu, ABC-TV affiliate. <sup>3</sup>NBC, but via KSOO-TV Sioux Falls, as affiliated station, when KSOO-TV started July 31. <sup>4</sup>Satellite of KVAL-TV Eugene, Ore., NBC-TV affiliate.

### U.S. TV STATIONS LEAVING AIR IN 1960

Call Letters	City & State	Channel	Off Air	Net-work
KLOR-TV	Provo, Utah	11	March	None
KVUE	Sacramento, Cal.	40	March 21	None
KCIX-TV	Nampa-Boise, Ida.	6	March 24	None
KNBS	Walla Walla, Wash.	22	Dec. 14	ABC

### 1960 CANADIAN TV STARTERS

Call Letters	City & Province	Channel	Date	Net-work
CFCY-TV-1	New Glasgow, N.S.	7	Jan. 23	1
CJCN-TV	Grand Falls, Nfld.	4	March 1	2
CHBC-TV-3	Oliver-Osoyoos, B.C.	8	March 27	3
CBWFT	Winnipeg, Man.	6	April 24	CBC <sup>4</sup>
CKOS-TV-1	Dauphin, Man.	8	June 19	5
CFCN-TV	Calgary, Alta.	4	Sept. 10	None
CHSA-TV	Lloydminster, Alta.	2	Sept. 25	CBC
CKAM-TV	Campbellton, N.B.	12	Sept. 27	6
CHAN-TV	Vancouver, B.C.	8	Oct. 31	None
CBUAT	Trail, B.C.	11	Nov. 1	CBC
CJAY-TV	Winnipeg, Man.	7	Nov. 12	None
CBUAT-1	Nelson, B.C.	9	Nov. 25	7

<sup>1</sup>Satellite of CFCY-TV Charlottetown, P.E.I. <sup>2</sup>Satellite of CJON-TV St. John's, Nfld. <sup>3</sup>Satellite of CHBC-TV Kelowna, B.C. <sup>4</sup>French language. <sup>5</sup>Satellite of CKOS-TV Yorkton, Sask. <sup>6</sup>Satellite of CKCW-TV Moncton, N.B. <sup>7</sup>Satellite of CBUAT Trail, B.C.

State aid for ETV was urged by the N.Y. State Board of Regents in their 1961 legislative & budgetary program issued Dec. 22. Specific proposals called for: (1) \$1 million to help school districts set up & operate closed-circuit TV to improve classroom instruction. (2) \$577,000 to continue programs for elementary & secondary schools telecast on WPIX, and in Cortland, where a closed-circuit system now operates. (3) \$500,000 to help the 4 local non-commercial ETV councils chartered by the Regents to present educational & cultural programs over commercial stations. (4) \$50,000 to develop college-level TV courses & to plan a state-wide TV network for higher education. (5) \$50,000 to set up a production-distribution center for ETV programs via kinescope or tape. The report noted that in 1952 the state received FCC permits for 10 uhf stations, but a plan to use these as a nucleus for a statewide non-commercial ETV & cultural network was never carried out.

# Consumer Electronics . . .

MANUFACTURING, DISTRIBUTION, FINANCE

**INDUSTRY SEES DU PONT MYLAR TUBE SHIELD:** Most tube & set makers have seen demonstrations of du Pont's laminated Mylar implosion plate in the last couple of weeks. At least one tube manufacturer plans to install machinery to make Mylar-shield picture tubes. And a set maker already has made tentative plans to use them in portable sets. Du Pont engineers feel the process is ready for production tests and that Mylar-shield sets could be on market within 12 months.

Du Pont's process for bonding thin layer of polyester film to face of picture tube thus enters into competition with other methods for providing required implosion safety in TV sets: (1) Corning's laminated glass twin-panel bulb, (2) Rauland-Zenith-Conneaut dry-seal vinyl gasket approach, and (3) Pittsburgh Plate Glass's new sealed-to-the tube plate-glass lamination process (Vol. 16:48 p 14, 50 p15), as well as the more conventional external glass or plastic techniques.

We visited du Pont's Chestnut Run Film Lab last week, saw demonstration of Mylar picture shield—and also talked with officials of tube, set & plastic-laminating firms. Many spokesmen preferred to remain anonymous, and some reports are contradictory, but here is the distillation of the Mylar shield story:

What it is: Still considered in "developmental" stage, du Pont's shield consists of a 5-mil (5/1,000 of an inch) thick sheet of transparent Mylar polyester film, cemented to a 1-mil sheet of Mylar with a  $\frac{1}{2}$ -mil layer of tinted adhesive. Viewing surface of film contains anti-reflective coating. This laminated Mylar sheet is formed & cemented to tube faceplate in tube plant with 10-mil coating of epoxy resin, wrapping around faceplate in manner similar to Corning laminated glass cap (not enclosing entire tube as reported earlier).

Mylar is supplied by du Pont. Plastic laminating firms can then process the raw film into laminated sheets designed for picture-tube shields. Only company currently making the shield material is Lassiter Co. of Charlotte, N.C., a div. of Riegel Paper Corp., best known for manufacture of Fairtex metallic yarn.

Laminated film is to be supplied to tube maker in rolls—probably containing 1,000 ft. of material. It is applied to tube face under heat in a modified drape-forming operation. This requires vacuum-forming machinery, not currently used in tube manufacture. Such machines—which need modification before they can be used in tube-laminating process—are available from several sources for \$15-to-\$20,000.

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History of laminated Mylar shield: Du Pont project started more than 4 years ago as joint effort with RCA, which invested in drape-forming machine, now has the only one in tube industry. Some time ago, RCA reportedly lost interest in process, and now has given du Pont permission to offer it to rest of industry. Several conflicting reasons for RCA's back-out are given—cost of process, susceptibility of shield to scratching, reflections in original models—and it's understood RCA has informed its set-making customers that it will not provide samples of Mylar-shield tubes.

Du Pont says its major breakthrough has been in de-glossing process, which overcomes all light-reflection objections, that cost should be lower than Corning bonding system, that scratches on film can't be seen under viewing conditions. At any rate, other set & tube makers are definitely interested.

Advantages & disadvantages: In addition to the debated assets and/or drawbacks mentioned above, as we saw it, Mylar shield seems to provide one strong potential advantage: weight—or, rather, lack of it. Since entire Mylar shield assembly, including cementing resin, weighs less than  $\frac{1}{2}$  lb., du Pont says it can cut as much as 15-to-20% from weight of TV set—up to 8 lbs. from 19-in., up to 10 lbs. from 23-in. receiver. This could be strong "plus"—not only in portability, but in shipping expenses for tubes & sets.

Industry doesn't exactly cotton to plastic safety shields, and their disadvantages are cited by opponents & skeptics. But biggest drawback at the moment seems to be that Mylar shield process is untested, that too little is known about it.

"We're not in the TV business," say du Pont officials. "We think we've got something here that's good. But now it's up to the tube & TV industries to make up more samples, play with it, test it, evaluate it. If they think it has some potential, we'll be glad, because selling Mylar is part of our business."

Substantial part of industry is sufficiently intrigued, apparently, to supply heady air of optimism in the neatly-tiled halls of du Pont's trim, modern film lab at Chestnut Run.

More details of Mylar tube shield will be found on p. 23.

**CORNING UNWRAPS TV PROMOTION DRIVE:** Year-long campaign to inject "excitement" into TV selling—and buying—was outlined last week by Corning Glass Works, biggest manufacturer of picture-tube bulbs. "Operation Snowball," budgeted at about \$500,000, could snowball into multi-million-dollar promotion—if substantial number of TV set manufacturers join in.

Aimed at dealers & general public, drive will stress technological advances & features of modern TV sets, de-emphasize price-selling tactics. Among highlights will be "TV Trading Bee," spring national dealer-level promotion aimed at getting TV trade-ins, "1962 TV Demonstration Preview," local fall new-line presentations patterned after new-model auto shows—backed by promotional material, dealer aids, newspaper & magazine campaigns, etc.

Corning made quick switch in its "Operation Snowball" plans. Originally designed as promotion for TV in general, Corning laminated tube in particular (Vol. 16:50 p15), it was revamped at last minute to get wider TV industry support. Reference to laminated tube is soft-pedaled, included as only one possible selling point, in attempt to make campaign less controversial, permit entire industry to join in.

Kick-off reception at New York's Plaza Hotel was hosted by Corning TV bulb sales mgr. Allen W. Dawson, pinch-hitting for electrical products div. vp-gen. mgr. John L. Hanigan, who was snowed in at Corning, N.Y. Among industry topkicks present: Sylvania Home Electronics Corp. Pres. Peter J. Grant, Admiral Sales Corp. TV div. mgr. A. A. Medica, NARDA Chmn. Mort Farr, representatives of set & tube makers.

Corning still hasn't had time to show its revised campaign to all set makers and thus couldn't give list of those manufacturers which will actively support it. It was understood, however, that even GE—which doesn't use any Corning laminated picture tubes in its line—had informally indicated plans for drive were now satisfactory and it would go along.

For details of Corning's "Operation Snowball" plans, see p. 22.

**TV-RADIO PRODUCTION:** EIA statistics for the week ended Dec. 16 (50th week of 1960):

	Dec. 9-16	Preceding wk.	1959 wk.	'60 cumulative	'59 cumulative
TV .....	98,083	110,386	142,056	5,607,050	6,169,029
Total radio .....	347,572	384,279	397,375	16,723,232	15,123,997
auto radio .....	111,712	112,297	154,940	6,253,928	5,330,014

**INDUSTRY LEADERS CAUTIOUS ABOUT '61:** Consumer-electronics sales in 1961 will reach or slightly exceed 1960's level. That's consensus of leaders of the set, tube & parts industry who responded to our annual year-end forecast survey.

Note of extreme caution prevails in nearly all responses. Nobody has gone way out on a limb, and almost all forecasters see 1961 sales as almost a mirror-image of 1960: Where 1960's first half was good and 2nd half poor, 1961 will see a poor first half, with business sharply up in 3rd & 4th quarters. But in one way, 1961 will be sharply better than 1960, according to industry leaders' predictions—last year's nearly disastrous overproduction will be lacking.

Of those manufacturers venturing specific predictions, slightly more than half forecast that TV sales will be a shade better in 1961—but even the most optimistic forecasts specified distributor sales at a high of 6.2 million (vs. this year's 5.7 million), while most stuck at or below the 6-million mark. Consensus was that radio & phono unit sales would about equal 1960's, with total dollar volume higher.

Texts of industry leaders' forecasts begin on page 19.

**1960 WASN'T TOO BAD:** In 1960's waning days, there's tendency on part of economists to apply the word "recession"—and to predict we'll be out of it by mid-1961. Recession or no, 1960 still turned out better than 1959 (or any other year to date) in consumer-electronics market, with total factory sales estimated at about \$2.1 billion, roughly \$100 million better than last year.

Nearly all of the gain over 1959 was made in first half of this year, which started out as boom market. In late spring, TV sales began to lag; by fall, phonographs were feeling the slump. But despite increased imports, radios continued to sell somewhat better than hotcakes. And even with the 2nd-half dip, it looks as if TV retail sales were slightly better than 1959, while phono sales have been considerably better—and in each case dollar volume per unit sales increased.

Just a year ago, we forecast "gains on all fronts" for 1960 (Vol. 16:1 p17). Like everyone else in industry, we were over-optimistic in our appraisal of TV sales (we said 6.1-to-6.2 million at retail), but we take what we hope is pardonable pride in pointing out in our 1960 review below just how accurate we were in most of our predictions. Let's look now at the main branches of consumer electronics and how they fared in 1960:

**TV:** Retail sales totaled about 5,785,000 sets, up slightly from last year's 5,749,000, although distributor sales to dealers were about 5.7 million, well below last year's 6 million. TV production for year was 5.75 million, down considerably from last year's 6.35 million—largely due to heroic last-quarter effort to bring production in line with sharply reduced sales. This effort succeeded, and TV industry enters new year with total inventories about 150,000 sets lower than last New Year's Day.

Biggest TV news of 1960 was continued upgrading of production—and success of this program at the market-place. Average factory price of TV sold this year was about \$146 (we predicted \$145 last year), up from \$141 in 1959. Public increased its purchases of high-end sets, and TV-phono combination sales hit an all-time-high share of market, 3.7% (up from last year's 2.8%). Consoles rose to 45% of sets sold (from 38.7%), table models & portables dropping to 51.3% (from 58.5%). This year saw almost complete replacement of 17-& 21-in. sets by 19- & 23-in., which we also foresaw in our predictions, although the 19-in. set hadn't yet been introduced at the time.

Color TV warmed up a bit but didn't catch fire. (Last year we forecast sales 30-50% higher than 1959, which still sounds about right to us.)

**Phono:** "Three-channel stereo" bit the dust last year, reverb came along and appeared to be headed for same fate—but phono sales kept rolling. Last-minute sag failed to prevent full year from seeing sales of about 4.5 million units at retail (up from last year's 4.4 million). We had forecast "well over 4 million." Some 75% of phonos sold at retail this year were stereo—up from 62% last year—and average factory price of phonos went up from \$87 to \$92 (we were a little optimistic when we predicted "nearly \$100"). Phono factory sales will total about 4.6 million in 1960—up from 4.3 million.

**Radio:** Sales were really hot this year—about 10.2 million sets at retail, plus another 6.5 million auto sets (we predicted nearly 10 million & at least 6 million car sets), compared with 8.9 million & 5.56 million in 1959). Radio production in 1960 totaled about 17.5 million (including auto).

FM radio continued its phenomenal increase and set an all-time record. If you include not only FM & FM-AM table models (as EIA does in its figures), but component tuners, TV & phono combinations and imports which contained FM, total sales in 1960 reached about 2 million (we predicted "considerably more than 1.5 million"), compared with 1.4 million in 1959.

**Imports:** Japanese radio exports to U.S. totaled about 7.5 million units (exactly what we predicted last year), up to an all-time record from 6.1 million last year. Sets with 3 transistors or more totaled 4.4 million, vs. 4 million in 1959. The increase was slight due to Japan's new quota system—tube radios and "toys" (less than 3 transistors) making up most of the increase. About 10,000 TV sets were imported this year—first time there's been significant number brought in.

So much for 1960. What of 1961? On the following pages, you'll find our roundup of industry leaders' forecasts for the coming year. Next week we'll go out on the limb ourselves.

# Industry Leaders Forecast 1961 Consumer Electronics Outlook

Text of Responses in Our Annual Survey of TV-Radio-Phono Prospects

## Admiral Pres. Ross D. Siragusa:

Last year's lengthy steel strike and the subsequent race to fill pipelines were forerunners of the general weakness that overtook the appliance industry and the nation's economy during 1960.

It takes about a year for the country to recover from the sort of economic indigestion we have been experiencing. Fortunately, manufacturers readjusted their production schedules as soon as the signs of weakness became apparent. As a result, excess inventories have been worked off and production is at a realistic rate.

We foresee a pickup in TV movement by midyear and anticipate that 1961 unit sales will equal this year's 5.7 million and may possibly exceed it.

The radio industry has been experiencing a healthy growth. 1960 will be one of the largest radio years [for] our company and the boom is expected to continue into 1961.

The current squeeze on manufacturing profits will continue into next year, with little change in prices.

Some relief is hoped for from the constant pressure of limitless Japanese electronic exports to this country. We believe the public and members of Congress are becoming increasingly aware of the damage being inflicted on suppliers to the electronics trade and on American workers.

## Centralab Pres. W. S. Parsons:

We expect Centralab business to be, on the whole, equal to that of 1960, but on top of this we expect to introduce new products into new markets in electronics which should bring us a minimum of 10% increase over 1960. Very frankly, we do not look for the radio and TV entertainment field to show any material gain over 1960.

## EIA Pres. L. Berkley Davis:

We believe the total [electronics] business will advance another 6% during 1961 to a \$10.3-billion total. The prospect for consumer-goods sales will be substantially brightened if FCC, as expected, soon establishes transmission standards for FM-stereo-radio broadcasting.

Three of the industry's principal segments set new sales peaks during 1960. The 1961 pattern is expected to be about the same. The comparative figures for sales at the factory level, in billions of dollars, are:

	1959	1960	% Change	1961	% Change
Consumer products .....	\$2.0	\$2.1	+5%	\$ 2.2	+5%
Industrial products .....	1.6	1.75	+9%	1.9	+8%
Military products .....	4.7	5.0	+6%	5.3	+6%
Replacement components .....	0.9	0.9	—	0.9	—
<b>TOTAL .....</b>	<b>\$9.2</b>	<b>\$9.75</b>	<b>+6%</b>	<b>\$10.3</b>	<b>+6%</b>

## Emerson Radio Pres. Benjamin Abrams:

Based upon a material improvement in Emerson's shipments during the months of October and November, as well as my expectation for the month of December, I am inclined to project a much improved sales picture for 1961 insofar as this company is concerned. We look for an increase in sales of TV and phonographs and a possible "holding of the line" in radio.

Industry-wise, I am inclined to feel that the first 6 months of 1961 may show a decline in sales as compared with the first 6 months of 1960. However, the last 6 months of the year should show a marked improvement, which may more than offset the poor sales of the early part of the year.

## GE Radio & TV div. gen. mgr. Hershner Cross:

In 1961, TV industry sales are expected to be at the same level as in 1960. There will be an increasing demand for full power-transformer portable units and a re-emphasis on quality performance and set reliability. No

## TV-Radio-Phono Predictions at a Glance

Those organizations whose officials made specific predictions for 1961 industry-wide TV, radio or phono sales & output in our survey are listed here with their forecasts:

Admiral—TV sales equal to 1960's 5.7 million units or slightly better, radio boom continuing into 1961.

Centralab—No material gain over 1960 by TV-radio entertainment field.

EIA—Consumer-electronics dollar volume gain 6% to \$2.2 billion from 1960's 2.1 billion.

Emerson—Improvement in last 6 months of 1961 may more than offset poor sales of early months.

GE—TV distributor sales at same level as 1960, radio sales slightly lower with pickup toward year's end, distributor console phono sales dropping as much as 7%, portable phonos down 10%.

Motorola—Distributor sales of b&w TV 5.2 million, table radios 3.2 million, clock radios 3 million, portable radios 4.2 million, stereo 2.8 million.

Mutec—Production of 6 million TVs, 10.5 million home radios, 5.5 million auto radios, 4 million phonos.

National Video—TV production 5.5-to-5.6 million.

Olympic—Retail TV sales of more than 5.8 million, stereo sales holding up correspondingly.

Packard Bell—TV sales 6-to-6.2 million, phonos 5 million (including 650,000 radio console combinations), home radio 12 million.

Howard W. Sams—Factory sales of 6 million TVs, 10 million home radios, slightly over 6 million auto radios, 6 million phonos.

Sprague Electric—TV retail sales & production of 5.7 million, radios (including auto) dropping to 15-to-15.5 million, entertainment-electronics volume dipping to about \$1.8 billion.

Standard Kollsman—TV production & sales of about 6 million.

Stromberg-Carlson—Phono factory sales near this year's 4.9 million, dollar volume rising about \$10 million to \$450 million.

Sylvania—Retail TV sales 5.9 million, radio 11.8 million, hi-fi & stereo 5 million.

Westinghouse—TV sales 6.1 million, home radio 10.7 million, phonos 3 million, hi-fi 1.5 million.

Zenith—TV distributor sales of 6-to-6.2 million.

significant or immediate increase in consumer demand for color TV is forecast.

Industry-wide radio sales for the coming year will be slightly lower than 1960, with a pick-up toward the end of the year. The 2 highlights of the past year for radio were the rapid growth of the AM-FM business and the continued pressure from foreign competition. Both of these influences are expected to affect the industry during the coming year to an increasing degree.

In the phonograph industry, inventories are in line and a good Christmas business has developed. However, in 1961, distributor sales of console units may decrease as much as 7%, while portable unit sales may be 10% lower than in 1960. Continuation of the industry's efforts toward lessening public confusion regarding stereo and increasing awareness of stereo's true merit can be expected.

#### Motorola:

[Estimates 1961 industry-wide distributor sales of black-&-white TV at 5.2 million units, table radios 3.2 million, clock radios 3 million, portable radios 4.2 million, stereo 2.8 million.]

#### The Muter Co. Pres. Leslie F. Muter:

We believe that the reduced production in the 4th quarter, as well as the increased movement of sets, should enable the industry to start the new year with a very conservative inventory that will assist production in 1961.

We believe that production will be approximately:

TV sets—6 million.

Radio sets—16 million, including 5.5 million auto sets.

Phono sets—4 million.

#### National Video Corp. Pres. Asher J. Cole:

TV factory sales will probably approximate the total number sold in the year 1960. However, I do believe it will be spread a little better than it was in the current year.

It appears that 1961 will start off cautiously, carefully build up and probably end with a 5,500,000 or 5,600,000 figure. If the general economy is primed by the inauguration of our new president, this could change substantially.

It is my feeling that people generally have money. The banks say they have more on deposit than any time in the past. If the public can gain confidence and react to the various stimuli which will be promulgated by the new administration, then our whole economy can recover quickly. There will be more homes, more people getting married, more families created and more television sets purchased. Our industry is geared to react quickly to demand.

#### Olympic Pres. Morris Sabin:

Despite a general softening of business during the last 6 months, the calendar year 1960 will go down in the TV history books as one of the industry's better years.

The year ahead should equal or exceed the results of 1960. Whereas in 1960 the industry had a strong first half followed by a weakening second half, we can expect just the reverse to be true for 1961. The first half of 1961 will probably continue in a generally soft vein, with prospects for a decided strong pickup in the last half. Since the industry traditionally sells a greater percentage of units during the second half, the sales impetus at that time should provide us with good industry figures for the year as a whole.

Retail TV sales for 1961 should reach over the 5.8 million mark and stereo phonograph sales should hold up correspondingly.

During the first 6 months of 1961 the industry will be hard pressed to "make figures," and the temptation to over-produce will undoubtedly be strong. To keep our industry healthy, we must keep production in balance with sales, and thus avoid excessive inventory buildups & the resulting possibility of price deterioration.

Olympic's consumer-products business for 1960 should approximate the results attained during 1959, and if the anticipated sales pattern for the coming year proves to be correct, we can expect another good year.

#### Packard Bell Pres. Robert S. Bell:

TV unit sales will increase to from 6 to 6.2 million in 1961 because of increases in the replacement rate, color set activity and combinations. Dollar volume should increase at a greater rate due to anticipated higher average selling prices.

The total phonograph market should reach 5 million units, of which 650,000 will be stereo-radio console combinations. Console stereo is leveling out because of expanding TV-stereo combination sales. Radio sales could reach the 12-million mark because of a decline in the average price of AM table and clock models, an increasing demand for FM, and an expanding share of the transistor portable market by domestic producers.

#### Pilot Radio Sales vp L. M. Sandwick:

The uncertainties of the situation affecting home entertainment products are such that a prediction for 1961 [on] the market as a whole would constitute an unreliable guess and we would not care to hazard such a prediction.

Pilot Radio Corp. continues to concentrate on 2 product lines, i.e. stereophonic high-fidelity component-console instruments and stereophonic high-fidelity components and we are continuing to experience normal growth of both.

The stereo market will not enter the period of stability and growth which it merits until a major segment of the manufacturing fraternity lays aside its competitive differences and embarks on a jointly sponsored program of PR and institutional advertising through its principal trade association.

#### Howard W. Sams & Co. (Sams div.) Pres. J. A. Milling:

Factory unit sales in 1961 should reach 6 million TV, 10 million radios, 6 million phonographs, including hi-fi and portable type, and slightly over 6 million automobile radio.

Improved color TV should add impetus to the over-all TV sales picture. Larger tube sizes, better cabinet styling, automatic tuning, general over-all performance and improved quality are all features which most manufacturers will stress. 1961 will be a year in which dealers must sell demonstrable features & improve performance. A big volume of future sales must come from homes which already have older model receivers.

Japanese imports during 1961 will cut still deeper into small-set sales unless some form of import restrictions is made effective.

Auto-set sales should increase over 1960 because there will be an increased production of small American autos and fewer auto imports.

**Sprague Electric Chmn.-Treas. Robert C. Sprague:**

The outlook for entertainment electronics in 1961 is certainly far from clear at present, but recent surveys have shown a desire on the part of consumers to step up their buying plans for durable goods. I would expect that sales at retail in the first half of 1961 might be below 1960 by some 10-to-15% but that 2nd half levels should show a favorable comparison, with a possibility of quite strong demand late in the year if business conditions recover as some recent forecasts suggest they will. I look for TV sales & production to be approximately equal at 5.7 million sets for the year, but I look for some decline in radios from the high rate in 1961 to more nearly the 1959 level of 15-to-15.5 million sets. I therefore believe it is realistic to assume a modest drop in the total value of home-entertainment electronics to about \$1.8 billion, slightly below the \$1.9 billion of 1960, but above the \$1.7 billion of 1959.

**Standard Kollsman Pres. J. O. Burke:**

It would appear to us that TV production for the year 1961 should level off at around 6 million sets, barring a deepening of the present recession. It is my feeling that with replacements and new homes on a fairly constant basis, the industry can foresee a leveling off of production and sales at a rate of around 6 million sets annually. Standard hopes to continue its pattern of increasing steadily the percentage of sets which contain its tuners.

**Stromberg-Carlson Pres. James D. MacLean:**

First-quarter 1961 automobile production schedules, released in Detroit a few days ago, indicate a relatively strong first quarter for automotive manufacturers despite softness in other areas of the economy. We anticipate that auto radio production will keep pace with passenger car output. Current outlook is for industry auto radio sales in 1961 to approximate the 6.2 million units produced in 1960.

It is anticipated that stereo, which is still relatively new as far as family ownership, will continue to increase its market penetration in 1961. While 65% of total U.S. households have phonographs (vs. 90% for TV), most of these are old monaural units and will be replaced with stereo units in the future. Of importance to the industry also is that dollar volume is rising at a faster rate than unit sales. This can be seen in the fact that consoles, which amounted to only 6.5% of total phonograph sales as recently as 1955, now account for more than 30% of industry output. This fact, coupled with the increasing percentage of stereo vs. monaural phonographs being sold, will raise total factory volume to about \$440 million this year, a 20% rise over 1959's \$372 million.

While total phonograph unit sales in 1961 will hover at near this year's 4.9 million level, dollar volume will rise about \$10 million to \$450 million (factory sales).

**Sylvania Home Electronics Corp. Pres. Peter J. Grant:**

[Predicts retail sales of 5.9 million TVs, 11.8 million radios (including imports), 5 million stereo & hi-fi units.]

**Westinghouse TV-Radio div. gen. mgr. O. H. Yoxsimer:**

The TV-radio industry will follow the pattern of the expected economic conditions in 1961 by showing relatively

little improvement early in the year, but in the latter part we should see an upswing in unit volume as industry inventories become readjusted, and general economic conditions improve.

We believe that TV sales in 1961 will be in the neighborhood of 6.1 million sets; radio, 10.7 million; phonograph 3 million; and high fidelity 1.5 million.

**Zenith Sales Corp. Pres. Leonard C. Truesdell:**

In general it is my opinion that the TV industry will do well to show only a slight gain in 1961.

I think the industry should perhaps think in terms of 6 to 6.2 million units. In favor of this estimate is the fact that the industry had had a disastrous experience from August on during the present year. The general economic condition is expected to improve in the last half of next year so the industry should gain in sales in the last half of 1961 over the last half of 1960.

Also in favor of the above estimate is the fact that the replacement market should be some 300,000 to 400,000 units larger than in 1960 simply because there are more sets getting to the age when repairs are not worthwhile, and, of course, we should expect to trade in more of the small picture-size units on those offering larger pictures.

Against the possibility of an increase of any importance is the fact that the general economic conditions are expected to remain low during the first 6 months of next year. The industry has shown a decline in 1960 for every month from July on. There is no reason to believe that because of a calendar date business will suddenly get better on Jan. 1, 1961. I think the industry will be hard put to equal the first-half sales of 1960.

We must take into consideration another very important factor. During 1961 we will *not* have the benefit of the newness we had in 1960 of the 19-in. & 23-in. sizes. I see no chance for anything exciting in the way of new product developments to help industry sales in 1961.

Underlying all of these facts and perhaps more important than anything else, it is the writer's opinion that our industry has suffered for the past several years because of the very poor TV programs which have been made available. We have just not had programming which would renew or revitalize consumers' interest in viewing TV. These programs have not excited the public sufficiently to create a reason for buying new sets.

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RCA Chmn. David Sarnoff's traditional year-end statement announced "record 1960 sales," although no figures were revealed. He was bullish on color: "In 1960," he said in part, "when industry sales of consumer durables eased off and b&w TV dropped 7%, color TV showed the sharpest rise of any major consumer product on the market—up 30% over 1959. RCA's own profit for 1960 on color-receiver sales was measured in 7 figures." He was optimistic about the forthcoming year & decade: "I share the viewpoint of many economists that this softness [of the economy] will continue through the first half of 1961 and that an upturn will occur in the second half of the year. But the month-in, month-out fluctuations of the economic index must not obscure the underlying dynamism of research & technology. This is the enduring reality which guarantees economic growth in the years ahead . . . The products of research, those in being now & those yet to come, will double RCA's sales volume before the '60s end."

### **More about**

**MYLAR TUBE SHIELD:** Du Pont's Mylar shield for picture tubes (see p. 16) is actually the 3rd route of approach to the laminated-on-the-tube implosion plate—Corning's & Pittsburgh's being the other 2. At Chestnut Run, Del. last week we saw much the same presentation & demonstration now being given on request to tube & set makers. Later we talked with representatives of tube & set manufacturers.

Du Pont showed us four 19-in. portable sets (they happened to be doctored-up Admirals), each with picture from the same channel, and each one labeled with its weight. Here's how they lined up: Set with conventional external implosion glass weighed 39 lb. 8 oz.; with Corning laminated cap, 42 lb. 8 oz.; with modified Corning laminated cap (glass flanges clipped off for mounting in portable cabinet), 40 lb. 8 oz.; with Mylar shield, 36 lb. 2 oz.

We compared image on Mylar-shield set with that on conventional external-glass set, with Corning glare-free treated cap and with standard Corning cap in brightly-lighted room. Both the Corning treated cap and the Mylar shield sufficiently eliminated reflections (daylight streaming through Venetian blinds) to produce satisfactory pictures. Both surfaces looked similar.

Du Pont engineers explained that because Mylar film surface is so close to faceplate, there should be less tendency for the non-reflective surface coating to cut down picture resolution than with implosion plates mounted further from the image. Pictures on all 4 sets appeared identical in color.

**Implosion resistance:** Implosion tests have been made on 2 versions of the Mylar-capped tube—with & without a metal band around the periphery of the faceplate. Du Pont officials said that it satisfactorily contained implosions, but added that they didn't yet know whether such a tube could be characterized as "implosion proof" as is the Corning laminated tube (Vol. 16:50 p15).

Tubes used with Mylar shield so far have been standard Kimble-type 19- & 23-in. "heavy" tubes designed for use with external implosion glass. Du Pont officials said they didn't know whether it can be used with Corning-type lightweight bulb designed for laminated glass cap.

### **The Burning Issue**

How about scratching & burning? Again pointing out that outer surface of the shield is extremely close to image, du Pont engineers said this characteristic as well as the light-scattering non-reflective coating minimize effect of scratches. Indeed, we couldn't notice any scratches as we viewed the Mylar-shield picture. They added that Mylar, while not nearly as scratch-resistant as glass, is the most resistant plastic film made and the reflective coating is even more so.

Mylar shield will melt or discolor "if you stoke a cigar up real hot and grind it into the surface," they told us. But under ordinary circumstances, it wouldn't be affected. In the demonstration for tube makers, du Pont people placed a lighted cigaret on a sheet of Mylar draped over a piece of plate glass, with no harmful effect, pointing out that heat is diffused by the glass. Melting or burning, they said, is much less of a hazard with Mylar than with the commonly used polystyrene external implosion plates. The whole question of scratch & burn, they said, "is something for tube & set makers to evaluate."

**Costs:** On one aspect of the cost picture, everyone is agreed—that there's no way to know for sure until somebody tries production. However, du Pont claims that pro-

cessed laminated film in 23-in. size should cost tube maker about \$1 per tube, vs. \$1.85 for Corning glass cap. Since Mylar requires only a sliver of epoxy resin to bond it to tube, Du Pont says, there should be more savings over the 1-to-1½ lb. of resin per tube used in the Corning process. The company concedes, however, that processing, labor & equipment costs are unknown.

**Production & rebuilding:** Using converted drape-forming machinery, a tube maker can process one tube a minute per machine, du Pont engineers told us. Can the Mylar shield be removed from the tube? Since the adhesive takes couple of days to "set" at room temperature, rejects can be easily reprocessed, they said. They weren't certain whether the Mylar shield could be economically removed from used duds for rebuilding.

### **How Shield is Applied to Tube**

Here's how the Mylar shield is shaped & fixed to picture tube in a single operation:

"Adhesive is applied to the edges of a clean picture tube which is then placed in the drape-forming machine, face up. The face of the tube is covered with a relatively thin epoxy adhesive. The Mylar film is clamped above the picture tube, heated, and then draped over the tube face with a combination of motion & vacuum in such a way that no air bubbles are trapped between the film & the glass. A metal band drawn tight around the film & tube holds the film in place until the adhesives harden. The tube is removed from the drape-former as soon as the excess film has been trimmed. It is held face up until the quick-setting epoxy adhesive hardens enough to stand pressure without deforming."

Du Pont hopes to arrange with manufacturers of vacuum-forming production machinery to run off more Mylar-shield tube samples. They declined to state where their current tube samples had been processed.

One tube maker (not the one referred to on p. 16) expressed cautious interest after seeing du Pont presentation & demonstration. National Video Pres. Asher Cole told us he thought process has "possibilities." He added: "We're following this with great interest. We must learn more about it, but we can't get cost answers until there's some production experience. If we could save \$1-to-\$1.50 per-tube, it could be very valuable. It needs more developmental work."

"We've gotten to the point where we can get general industry opinions," echoes du Pont Lab's Jay J. Stewart. "Now we want to encourage the industry's active participation in further development." He said he believed Mylar-shielded tubes can "comfortably be in production in 12 months."

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Motorola's new address is 9401 W. Grand Ave., Franklin Park, Ill. (NAtional 5-6000).

### **Obituary**

John Fisher, 55, vp-founder of the Astron Corp., died in the TWA-UAL jetliner collision Dec. 16. Others with electronics industry connections: Arthur Burten, 35, industrial sales mgr., Astron Corp.; Herman Mueller, 41, research chief, Liquidometer special products div.; Murray T. Wright, 30, GE missile-development presentation specialist (his father, Clark M. Wright, is sub-contracting mgr., Schenectady GE plant); Lester Mogren, 36, IBM products field engineer; David W. Plummer, 25, IBM systems technician; George Keenan, 32, GE installation & service dept. engineer; Stephen Baltz, 11, son of William S. Baltz, vp & chief legal counsel, Admiral.

**NOV. TV SALES SOFT:** TV sales last month were in the same listless groove that they've occupied since last July, unofficial estimates indicate. Preliminary figures show retail sales down about 12%, distributor-to-dealer sales down 15%. November's drop of about 12% at retail follows October's 13% dip, September's 9%, August's 13% (all compared with same 1959 months).

Retail radio sales showed their first tendency to softness in November—dropping below the 1-million mark for the first time since August, and down 5½% from Nov. 1959's retail figure. Thus November was the first 1960 month to see lower radio retail sales than the comparable 1959 month. But distributor sales of radios were 9% ahead.

TV's bright spot was its drastically lowered inventory figure. Stocks at all trade levels were about 130,000 lower than at the end of Nov. 1959, with dealers' inventories down a substantial 223,000, distributors' inventories down 14,000, and manufacturers' stocks up 106,000 from last year.

November TV retail sales totaled about 527,000 vs. 598,000 in November last year, but the 11-month total sales of 5,182,000 (vs. 5,047,000) indicated that the full-year 1960 retail total probably will slightly surpass 1959's 5,749,000. November distributor sales were about 498,000 (vs. 584,000) and year-to-date distributor-to-dealer sales totaled about 5,096,000, down from 1959's comparable 5,449,000.

Radio retail sales in November declined to about 951,000 units from Nov. 1959's 1,017,000, for an 11-month retail total of 8,336,000 (vs. 7,142,000 in 1959), while distributor radio sales climbed to 1,171,000 from 1,079,000 the year before. The 11-month total of distributor radio sales is 8,811,000—substantially ahead of last year's 7,990,000.

#### More about

**OPERATION SNOWBALL:** Objectives of Corning Glass's 12-month TV promotion campaign (see p. 17) are: "(1) To expand the market for TV sets; (2) to encourage more trade-ins & trade-ups; (3) to encourage retail selling by emphasizing product benefits." Drive will be run by Ralf Shockey & Associates.

Among the highlight activities: (1) "TV Trading Bee," to be supported by trade advertising, material for manufacturers, distributors & retailers; ad material to be supplied to newspapers, radio & TV stations, etc. (2) "1962 Demonstration Preview" in fall will get the same treatment, including special newspaper supplements, etc. (3) Promotion programs at large shopping centers, including TV giveaways, etc. The first will be at the North Shore Shopping Center, Peabody, Mass., in March, (4) Christmas campaign, with extensive consumer advertising.

For the trade, the program will include: (1) Exhibit & demonstration program at International Home Furnishings Market, Jan. 6-14 in Chicago. (2) Slide film & other material to acquaint manufacturers, distributors & dealers with the program. (3) Two-week city-wide programs, including all local TV dealers, in cooperation with NARDA chapters. (4) "TV Retailer of the Year" awards. (5) Formation of a retail advisory group of selected dealers "to develop new ideas for expanding the market."

Studies & reports planned: (1) Study of TV retailing, for July presentation, prepared in cooperation with NYU school of retailing. (2) Study of trade-up selling, for Sept. presentation, in cooperation with U. of Pittsburgh school of retailing. (3) A manual of outstanding selling techniques, "The NARDA Method of Selling TV Sets."

**Canadian Look at 1961:** The closing year was one of recession for Canada's electronics industry (Vol. 16:41 p17). Sales of home-entertainment products dropped off sharply from the peak years of 1955-56. Orders for military electronic equipment also declined. What portends for 1961? Three major leaders of Canadian electronics hold these views:

RCA Victor Co. Pres. J. D. Houlding: "The electronics industry looks to 1961 with mixed feelings. TV-receiver sales in 1960 will be down 15% from the previous year, and except for a reversal of consumer buying behavior, a further reduction in 1961 is possible. From the long term point of view, a growing replacement market will gradually reverse the downward trend of TV-receiver sales. However, the industry badly needs an immediate stimulus which might be provided through elimination of excise taxes, or through authorization of color broadcasting. . . .

"Canadian producers are under increasingly serious pressures from rising imports of radios, tubes and other consumer items. If any change [in prices of consumer products] does occur it will probably be upward because of current unprofitable operating levels. Although the outlook for consumer products is somewhat pessimistic . . . products for communications, broadcasting, industrial and business automation, and for defense, will tend to offset the short term decline in other areas."

Canadian GE Pres. J. Herbert Smith: "Sales of electrical consumer goods are down in 1960, and no substantial increases can be looked for in this product field in 1961. Thus, unless factors come into play which are not at present discernible, the electrical manufacturing industry can look for an over-all reduction of sales in 1961."

Canadian Westinghouse Pres. G. L. Wilcox: "The current cyclical downturn which began early this year is showing little signs of abating. Consumer spending is still sluggish, due to a leveling in total labor income . . . Consumer spending is the big imponderable and the extent to which it will contribute to the over-all level of business in 1961 will be governed largely by the degree of activity in our manufacturing industries. This is the segment of the economy which provides employment for 25% of all working Canadians, pays 29% of all wages & salaries, and accounts for over 30% of the country's total output. It is also the segment of the economy which is losing jobs & wages to other countries at a disturbing rate."

**Trade Personals:** Jack S. Beldon, ex-pres. of RCA Sales Corp., joins Magnavox TV-radio-phono div. in new post of marketing mgr.; Magnavox sales organization expansion also sees A. Robert Baggs, ex-merchandising mgr. of RCA radio & "Victrola" products, named mgr. of radio products & mktg. development; James Egan, former zone mgr., promoted to field sales mgr.; A. Paul Wagner, former Bell & Howell PR dir., named to similar Magnavox post; William H. Boedeker Jr., ex-GE appointed mgr. of special products & accounts.

Robert Scott, former Thomas Electronics general sales mgr. and onetime Du Mont picture tube sales mgr., joins National Video as sales mgr. . . . Kendrick R. Wilson Jr. named chmn. & chief exec. officer, Avco, succeeding Victor Emanuel, who died Nov. 26. James R. Kerr named pres., Col. Earl H. Blaik named exec. committee chmn.

Donald G. Evans Jr., ex-Westinghouse, named ad & sales promotion mgr., General Precision Link div. . . . Robert C. Sprague, chmn. & treas. of Sprague Electric Co., is back at his desk following a week in the hospital for kidney stones.

# Financial Reports of TV-Electronics Companies

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

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1960—qtr. to Oct. 31	—	—	\$ 203,090	\$0.19	—
	1959—qtr. to Oct. 31	—	—	202,166	.19	—
Famous Players Canadian	1960—9 mo. to Oct. 1	—	\$2,332,438	1,429,299	.82	1,737,072
	1959—9 mo. to Oct. 3	—	2,629,184	1,718,233	.99	1,737,072
Filmways	1960—year to Aug. 31	5,721,173	—	33,893 <sup>4</sup>	.07	491,473
	1959—year to Aug. 31	4,448,650	—	190,537	.43	447,986
Gibraltar Enterprises <sup>1</sup>	1960—11 mo. to Nov. 30	—	—	745,820	.60	1,250,000
	1959—11 mo. to Nov. 30	—	—	577,331	.46	1,250,000
Jerrold Electronics	1960—6 mo. to Aug. 31	3,205,887	136,509	64,665 <sup>5</sup>	.04	—
	1959—6 mo. to Aug. 31	2,915,502	90,439	39,920 <sup>6</sup>	.03	—
National Video	1960—6 mo. to Nov. 30	\$10,343,900	1,050,100	768,300	1.25	616,667
	1959—6 mo. to Nov. 30	8,290,600	651,926	530,926	.86	616,667
Rollins Bcstg.	1960—6 mo. to Oct. 31	1,853,391	—	229,463	.26	872,867
	1959 <sup>2</sup>	—	—	—	—	—
Sterling Television	1960—6 mo. to Sept. 30	596,660 <sup>3</sup>	—	16,833 <sup>3</sup>	—	450,000
	1959—6 mo. to Sept. 30	378,830	—	13,273	—	450,000
TV Shares Management Corp.	1960—year to Oct. 31	3,063,643	1,490,848	750,848 <sup>3</sup>	.74	1,060,000
	1959—year to Oct. 31	2,714,566	1,430,797	702,297	.66	1,060,000

Notes: <sup>1</sup>Includes WICU-TV & WICU Erie, radio WTOD Toledo & WHOO Orlando, headed by Edward Lamb. <sup>2</sup>Not available. <sup>3</sup>Record. <sup>4</sup>After credits totaling more than \$52,000. <sup>5</sup>Excludes \$133,272 (\$208,473 in 1959) net income from CATV systems. <sup>6</sup>Excludes special credit of \$283,656 on sale of properties.

## OVER-THE-COUNTER COMMON STOCK QUOTATIONS

Thursday, December 22, 1960

Electronics TV-Radios-Appliances Amusements

Stock	Bid Asked	Stock	Bid Asked
Acoustica Associates	19 3/4 21 3/4	Maxon (W. L.)	10 1/2 11 1/2
Aerovox	7 3/4 8 3/4	Meredith Pub.	42 1/2 45 1/2
Allied Radio	23 24 24 1/2	Metropolitan Bcstg.	17 1/2 18 1/2
Astron Corp.	1 1/2 1 7/8	Milgo Electronics	15 3/4 17 1/2
Baird Atomic	24 1/2 26 1/4	Narda Microwave	3 3/4 4 1/2
British Industries	17 18 18%	Nuclear of Chicago	38 41 1/2
CGS Labs	6 7%	Official Films	2 1/4 2 1/2
Cetron	3 3/4 4 1/4	Pacific Automation	4 1/2 5 1/2
Control Data Corp.	68 72 1/2	Pacific Mercury	5 5/8 6 1/2
Cook Elec.	13 1/2 14 1/4	Philips Lamp	156 1/2 162
Craig Systems	15 1/4 16 3/4	Pyramid Electric	2 1/2 2 1/2
Dictaphone	28 1/2 30 3/4	Radiation Inc.	24 1/4 27
Digitronics	19 1/2 21 1/2	Howard W. Sams	36 1/2 39 1/4
Eastern Ind.	14 15	Sanders Associates	37 42 1/2
Eitel-McCullough	18 1/4 19 1/2	Silicon Transistor	4 1/4 5
Elco Corp.	15 1/4 16 3/4	Soroban Engineering	40 43 1/2
Electro Instruments	28 1/2 31 1/2	Soundscripter	15 3/4 17 1/2
Electro Voice	7 1/2 8 3/2	Speer Carbon	18 19 1/2
Electronic Associates	29 1/2 32	Sprague Electric	50 1/2 54
Erie Resistor	9 1/4 10 1/4	Sterling TV	1 1/2 2
Executive	20 1/2 23	Taft Bcstg.	12 13 1/2
Farrington Mfg.	28 1/2 30 3/4	Taylor Instrument	32 34 1/2
FXR	35 1/2 38 3/4	Technology Inst.	8 3/4 9 1/2
General Devices	11 1/2 12 1/2	Telechrome	12 1/4 13 1/2
G-L Electronics	6 3/4 7 1/2	Telecomputing	7 3/4 8 1/2
Granco Products	2 1/4 3	Telemeter	11 12 1/2
Gross Telecasting	19 1/2 21 1/2	Time Inc.	73 1/2 77 1/2
Haydu	1 1/16 1 1/4	Tracerlab	9 1/2 10 1/2
Hewlett-Packard	31 33	United Artists	5 5/8 6 1/2
High Voltage Eng.	156 167	United Control	15 3/4 17 1/2
Infrared Industries	15 1/2 17 1/2	Universal Trans.	3/4 1 1/2 15/16
Interstate Engineering	24 1/4 25 1/2	Vitro	11 1/2 12 1/2
Itek	54 58	Vocaline	2 2 1/2
Jerrold	6 7 7%	WJR Goodwill Station	9 3/4 11
Lab for Electronics	47 1/2 50 1/2	Wells-Gardner	20 3/4 22 1/4
Lel Inc.	3 3/4 4 1/2	Wometco Ent.	13 14 1/2
Magna Theater	2 3/8 2 3/4		

### Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
Avco	Q	\$0.12 1/2	Feb. 20	Jan. 27
Daystrom	Q	.30	Feb. 15	Jan. 27
Electronic Associates	Stk.	5%	Jan. 12	Dec. 28
General Dynamics	Q	.25	Feb. 10	Jan. 6
Victoreen Instruments	Stk.	4%	Jan. 16	Dec. 30

Screen Gems will be worth about \$23.5 million to Columbia Pictures, its parent, in terms of the 89% interest that Columbia will maintain when the first SG public offering goes on the market next month. An additional 300,000 shares, on which Screen Gems plans to raise about \$3 million, will be offered to holders of Columbia Pictures stock at approximately \$10 per share. Screen Gems is in a healthy financial position in the often-risky telefilm business; for the fiscal year ended June 30, SG had before-taxes earnings of over \$3.1 million, while parent Columbia Pictures had a loss of over \$1.2 million. When the offering is concluded, it's estimated that Columbia will have 1.8 shares of Screen Gems for each share of Columbia Pictures outstanding. Thus, stockholders in the parent will have an equity of \$18 in Screen Gems stock, plus participation in Columbia's movie activities.

**Mergers & acquisitions:** Transitron Electronics has canceled its proposed merger with Thermo King, Minneapolis maker of refrigeration equipment for trailer trucks (Vol. 16:35 p15). Transitron Pres. David Bakalar said the action was taken "primarily" because of the "recent decline in Thermo King's rate of earnings." Thermo King Pres. J. A. Numero said the "ground asserted by Transitron is without merit" • Cowles Bestg. (KRNT-TV & KRNT Des Moines, WHTN-TV Huntington—latter being sold to Reeves Bcstg. & Development) and Cowles Magazines (Look) have obtained stockholder approval to merge via an exchange of stock into Cowles Magazines & Bcstg. Inc. • Serrick Corp., Defiance, O. maker of industrial machinery & products, has acquired Utah Radio Products and Utah Radio & Electric, Huntington, Ind. manufacturers of TV-radio equipment & components.

Electro-Science Investors, Dallas-based small-business investment company, has acquired for \$2 million in convertible debentures & common stock more than 80% equity in Knapp Electro-Physics, Palo Alto, Cal. manufacturer of silicon & germanium crystals for semiconductor devices.