

Television Digest

WITH AM FM REPORTS

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STRIKE FORCES TV-RADIO STOPPAGES: Railway tieup took toll of TV-radio production and shipments this week, with at least 3 major producers -- Philco, Admiral, GE -- and possibly others forced to shut down assembly lines for lack of transportation. At week's end, prospects for ensuing week were tied up with hopes for end of strike.

Philco halted all civilian production Wednesday, laying off nearly 12,000 at Philadelphia plants. Next day Admiral laid off 2000 of its 7000 Chicago workers, and GE laid off about 3000 in Syracuse. GE workers returned to work Friday. Philco said Sandusky receiver plant was still operating. Both Philco and Admiral estimated their normal production was down about 75%.

RCA in Camden, Motorola in Chicago, Emerson in New York kept going -- RCA and Emerson, also DuMont, merely reporting some absenteeism due to New Jersey bus strike. These and other manufacturers said they got supplies and shipped finished products via trucks, but Philco said it was largely dependent on railroads.

There was some belief shutdowns might be due partially to materials shortages not attributable to strike, though heavy items like refrigerators and shipments of TVs to distant points are largely by rail. While outlook was uncertain, no one took seriously New York Times Feb. 2 report that shutdowns are regarded as the "beginning of near-paralysis of the TV-radio and electrical appliance industries" and that "production and outgoing shipments will virtually cease within a week, according to industry leaders, if the rail stoppage continues."

DE-ICING THE FREEZE—HOW AND WHEN: Another estimate of elusive freeze-end, and what it may mean, is in order -- now that FCC has finally wound up "general issues" phase of its long-drawn-out series of freeze hearings.

"Educational" phase ended this week, which means that it and the color, mileage separation, uhf, etc. phases are at least on the record.

If all goes smoothly -- and there's good reason to believe it won't -- these would be next steps toward thawing the 28-month-old freeze:

(1) New vhf-uhf allocation plan, replacing July 1949 plan at which everyone has been shooting during hearings (see TV Factbook No. 12), will definitely be issued by FCC engineering dept., maybe within a month. That might mean by March 1.

(2) Comments and counter-comments on new plan, as it affects specific cities, will then be accepted, requiring maybe another month. That might mean April 1. (FCC has no intention of then going into another general-issues merry-go-round, intends basic principles of new plan to be final.)

(3) Hearings on allocations to specific cities would then begin, possibly in April. Make your own guess how long that will take. Chairman Coy mentioned 2 months in his recent Buffalo speech (Vol. 7:3), but we'd guess well into the summer or fall. (There were more than 300 comments filed on old allocation proposal. New plan may nullify need for many of these -- but there's no knowing yet.)

(4) Final decision to end freeze -- maybe during fall.

(5) After decision, 60 days have been promised applicants for filing new requests, amending old. (For complete list of applicants to date, see TV Factbook No. 12 and Addenda to date).

(6) Actual grants of new stations and some construction -- at least where channel supply exceeds demand, which means the less attractive markets -- might begin trickling through by early 1952. Competitive situations, requiring hearings, will demand additional 6-12 months or more. Certainly, any existing TV market will be competitive.

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Foregoing sounds reasonable and logical, but there's many a hitch. Odds-and-ends will inevitably crop up -- not least of which may be:

(a) Hassle over policy decision on educational channel demands.

(b) Reopening of color issue after Supreme Court decision, with RCA and perhaps others demanding hearing on basis of new developments.

(c) FCC Bar Assn. oral arguments, already promised, on its objection to whole idea of fixed allocation plan; it wants city-by-city assignments, as in radio. FCC contends fixed allocation isn't hard to change, points to FM as example.

FCC could get the lead out of its jeans and beat this lugubrious schedule, in opinion of many observers who claim, perhaps unfairly, that staffers are wasting more time than usual lately -- point to recent educational hearing attendance of FCC personnel who have had little or nothing to do with whole hearing in past.

Somewhat cynically, Broadcasting Magazine speaks of FCC's "WPA projects... to keep its staff busy" for duration, notes particularly its new AT&T investigation (long distance rates) and its "Blue Book crusade" (probe into TV programming, see p. 3). Staffmen defend FCC by saying these moves have been in works a long time.

"There's a war on..." but it's a fact that to date FCC has had very little part to play in the mobilization program.

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Nature of forthcoming new allocation plan has everyone speculating. Almost certain is uhf allocation built around specific intermediate frequency (IF), presumably the RTMA-sponsored 41.25 mc. Many are expecting decreased station separation -- reductions from proposed 220-mi. vhf, 200-mi. uhf.

Fact is, we've yet to hear really convincing answer, from FCC, to testimony of Bernard O'Brien, chief engineer of Rochester's WHEC, that May 1948 proposed allocation (utilizing 150 mi. vhf) actually meets Commission's own current objectives better than proposed 220 mi. (Vol. 6:34).

This week, he seemed to make even more sense when he added uhf to his calculations, still found his contention valid, ended up with compromise suggesting 150-mi. co-channel separations in crowded East, 220-mi. in wide-open West.

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How much grants will mean, when they finally come, depends on many factors:

- (1) Will Govt. permit construction?
- (2) Will station equipment be available?
- (3) Will receivers be available for new markets?
- (4) Will manpower be on hand for construction or station-manning?

Our recent roundup of World War II experience and expected station equipment availabilities (Vol. 6:52) still stands up. There may be fair chance for some construction, and there are supposed to be several dozen TV transmitters available for quick delivery -- with Latin American interests ordering some of these "frozen assets" and reported readying to order still more.

Hawaii's chance of getting exemption from freeze, qualifying for CPs right now because of great distance factor, brightened considerably this week as KHON's petition (Vol. 7:4) gained support at commissioner level.

Any such grants would undoubtedly spur continental applicants, such as those in wide-open Denver and Portland, to new efforts to crack ice. Who knows, maybe even Colorado's powerful Senator Johnson, the unpredictable, will promote end-of-freeze-in-a-hurry as assiduously as he promoted color-in-a-hurry!

NARTB AS 'ONE BIG TENT' WITH NEW PREXY: NAB becomes NARTB next April -- National Assn. of Radio & Television Broadcasters. It thus follows lead of Radio Manufacturers Assn., which recently became RTMA, and of Society of Motion Picture Engineers, now SMPTE. Up-and-coming TV industry, built around mere 107 stations, thus demands and gets due recognition from parent broadcasting, manufacturing, show businesses.

"One big tent" idea (Vol. 7:3) won complete endorsement at NAB board meetings this week in Belleair, Fla. New bylaws and financing plans were adopted, and three boards of directors are set up -- one not more than 14 members to govern TV, second not more than 25 to govern radio, combined board not to exceed 42 and including all the TV and radio directors plus association's top paid executives.

It was decided to seek new paid president-general manager, after acceptance of plan elevating president Justin Miller to chairman of board -- the 2 jobs combined budgeted for \$75,000. Judge Miller will be relieved entirely of administrative duties, will advise on policy, appear at hearings, etc.

New president will be selected by committee comprising Allen M. Woodall, WDAK, Columbus, Ga.; Harry R. Spence, KXRO, Aberdeen, Wash.; Patt McDonald, WHHM, Memphis; Wm. B. Quarton, WMT, Cedar Rapids; Wm. A. Fay, WHAM & WHAM-TV, Rochester.

Respective boards will choose TV and Radio division directors. TV board set up at recent Chicago meeting includes Eugene Thomas, WOR-TV, acting chairman; Robert Swezey, WDSU-TV, vice chairman; W. D. Rogers, KEYL; Clair McCollough, WGAL-TV & WDEL-TV; Harry Bannister, WWJ-TV; George B. Storer, WJBK-TV, WSPD-TV & WAGA-TV; Harold Hough, WBAP-TV; Campbell Arnoux, WTAR-TV; Paul Raibourn, KTLA (Paramount).

Four networks are entitled to one member each. DuMont has already designated Chris Witting, NBC Frank M. Russell. They were at Florida meeting along with Messrs. Thomas, Swezey and Rogers; all indicated satisfaction with new setup.

Neither ABC nor CBS is NAB member, having quit last year -- but expectation is they will rejoin now, designating their TV members shortly.

Membership of at least 60 TV stations is said to be assured at outset. Dues are yet to be determined by board, with \$50,000 initial payment pledged toward overall NARTB budget to cover rent (one whole floor of Washington headquarters) and services of existing depts. Tentative TV Division budget is \$150,000, based on preliminary estimate of assessments of one-fourth of 1% of gross station income.

Television Broadcasters Assn. (TBA) will be dissolved, its manufacturer members urged to join NARTB as associate members. Joint conventions are set for Hotel Stevens, Chicago, April 15-19.

TV FACING NEED FOR A 'MORALS CODE': Better start boning up, Mr. Telecaster, on the radio and motion picture industry codes -- and better get your trade groups working on something such for TV. Otherwise, Uncle Sam may really slap you down -- and with plenty of popular backing.

You can be sure that FCC, in ordering conference on TV programming (Vol. 7:3-4), intends to go further than mere questions of "program balance" a la AM. After its own fashion, it will go into such sure-fire headline-provoking aspects as off-color jokes, plunging necklines, crime dramas during children's viewing hours.

They're even talking about arriving at some sort of definition of "taste". Agenda and date of conference hasn't been fixed yet, but such "normal" subjects as commercial vs. non-commercial time ratios, local vs. network, live vs. transcribed, shoppers guide programs, etc. are sure to be embraced.

FCC renewed 44 TV station licenses this week, in announcing conference to be scheduled soon after Chairman Coy returns from his vacation March 6. All licenses expire Feb. 1, 1952, all running one year. Seven others previously got licenses to that date, while 8 are still on "temporary" list because owners are involved in FCC investigation of anti-trust policy (Vol. 6:5,15,17). All others of the 107 operate under STAs (Special Temporary Authority), which usually precede licensing.

Program probe shoves into background, really puts in abeyance, Commission's proposal to limit hours stations in 1,2,3-station markets may take from any one network (Vol. 6:40-48). There's little enthusiasm for that plan now either among sta-

tions, networks or commissioners. If current voluntary AT&T-network circuit allocations work out (Vol. 6:50), belief is Commission will let network-time proposal die.

Interesting facet of deliberations leading to program conference plan was dissent of Comr. Jones from calling conference or any other FCC involvement in programming. He thinks Commission should pick right licensees initially and look them over at renewal time, regards program aberrations as symptoms, not causes.

Network Accounts: Blatz Brewing Co. will sponsor *Amos 'n' Andy* with new Negro stars, half-hour weekly on CBS-TV, thru William H. Weintraub & Co., N. Y.; time and starting date to be announced . . . Bohn Aluminum & Brass Corp. (castings, pistons & bearings) buying NBC-TV's *American Forum of the Air*, Sun. 1:30-2, thru Zimmer-Keller Inc., Detroit; starting date not determined . . . National Distillers Products Corp. (Italian Swiss Colony wine) has started sponsorship of *Famous Jury Trials* on DuMont, Wed. 9-9:30, thru Honig-Cooper Co., San Francisco . . . Lehn & Fink Products Corp. (Lysol) reported considering sponsorship of 8-8:15 segment of *Jack Carter Show* on NBC-TV, Sat. 8-9, thru Lennen & Mitchell, N. Y.; Campbell Soup Co. has cancelled 8-8:30 portion . . . Lever Bros. (Surf) will sponsor *Hawkins Falls* on NBC-TV, Mon.-Wed.-Fri. 5-5:15, thru N. W. Ayer & Son, Philadelphia; starting date not set . . . General Mills (Kix) is readying sponsorship of segment of *Ted Mack Family Hour* on ABC-TV, Sun. 6-7, thru Tatham-Laird Inc., Chicago; C. A. Swanson & Sons (poultry & margarine products) has contracted for alt. Sun. 6-6:30 portion, same agency . . . Cereal Institute, association of breakfast food processors, will sponsor *Mr. Wizard* on NBC-TV, time and starting date not set . . . Samson Hosiery will sponsor Faye Emerson & Skitch Henderson as husband-and-wife team on *Easter Parade* on NBC-TV, one time, Sun., March 25.

Station Accounts: Defense plant workers are recruited via Cleveland's WXEL by means of "commercials," describing jobs and flashing phone numbers taking applications, on regular 15-min. programs sponsored by Cadillac Tank Div., General Motors, *Bob Rowley with the News*, 3 times weekly; National Screw & Mfg. Co., *Sports Desk*, once weekly; Cleveland Pneumatic Tool Co., *Manpower Headlines*, once weekly, *Sports Desk*, once weekly . . . Besides Philadelphia's WFIL-TV, which accepts only established firms or requires certificates of approval from testing labs for direct-mail solicitation via its facilities, other stations reported to be imposing new rigid standards are: WPIX, New York; WNHC-TV, New Haven; WJAR-TV, Providence; WOI-TV, Ames, Ia. Chicago's WBKB requires \$25,000 bond . . . Washington's big Campbell Music Co., to advertise DuMont TVs, Feb. 9 starts sponsoring on WTTG 13 full *Vienna Philharmonic Orchestra* concerts, Fri. 8-8:30, filmed in Vienna and Salzburg by Ambassador Films—regarded as an interesting test of ac-

ceptability of fine music via TV . . . Wheatena Corp., thru its Philadelphia distributor, using spots on all 3 Philadelphia stations, plus radio and newspaper ads, thru Brisacher, Wheeler & Staff . . . Unusual sponsor on KING-TV, Seattle, is Alaska Junk Co., using 1-min. slides to sell scrap metals, old machinery, other used and surplus equipment . . . Phoenix Hosiery Co. to use TV spots in 26 cities in campaign starting Feb. 28 leading up to Easter and Mother's Day, thru Heckaday Associates, N. Y. . . New spot business on WABD, New York, includes Procter & Gamble Co. (Joy soap flakes), thru Biow Co., N. Y.; Stahl-Meyer Inc. (canned meats), thru Dowd, Redfield & Johnstone, N. Y. . . Among other advertisers currently reported using or preparing to use TV: Yardley of London (lavender fragrance), thru N. W. Ayer, N. Y.; J. A. Wright & Co. (Wright's silver cream), thru Lambert & Feasley, N. Y.; Ballard & Ballard Co. (Oven Ready biscuits and food products), thru Henri, Hurst & McDonald, Chicago; Robert Hall Clothes Inc., thru Frank B. Sawden Inc., N. Y.; Dormeyer Corp. (kitchen appliances), thru John W. Shaw Adv., Chicago.

Promotion of hat sales, through closed-circuit store demonstration—"see-yourself-on-TV"—is being conducted in New York's Wallachs Inc. chain by Frank H. Lee Co. (Lee hats) and RCA. First showing, Feb. 1, was in Empire State Bldg. store, featured personal appearance of actor Robert Montgomery. Demonstrations, 2-3 days each, will also be given in White Plains, Jamaica, Newark stores.

"Ad hucksters also rush to find strength in union," states *Wall Street Journal*. "A dozen mergers have come in 6 months. Little agencies with limited manpower cannot compete when servicing accounts using radio, TV, magazines and newspapers." To which it might have added that many agencies find 15% commission, albeit rates are higher, insufficient to maintain TV specialists.

New York's FM-only WABF (Ira Hirschmann) reports 17 advertisers sponsoring 55% of its 50 hours a week of "good music"—audience loyalty attested by fact that \$6000 was subscribed for sponsorship of New Friends of Music concerts and station's *Program Magazine* is now self-supporting with ads at \$125 per page.

Feb. 1 sets-in-use reported since NBC Research's "eensus" of Jan. 1 (Vol. 7:3): Dallas, 59,082, up 2582; Miami, 52,500, up 2500; Greensboro, 49,812, up 7812; Fort Worth, 46,237, up 2137.

PETRILLO is out to strangle TV's use of films, except on his own terms. That's for sure, and it makes industry negotiators fear for long, cold winter before new AFM-network contract is signed. At moment, existing contract has been extended to Feb. 15, with networks agreeing to make terms retroactive to Feb. 1 if reached by that date. Present contract expired Jan. 31 (Vol. 7:2-3).

Here's what Petrillo is asking: (1) Repeat fees for all kinescope recording showings, plus a 5% royalty fund based on each non-connected station's network rates. (2) Networks not to produce films for TV without AFM clearance. (3) No foreign pictures with music without AFM approval.

Petrillo also let it be known that his 1946 contract with Hollywood producers bans release of their films for

TV whether made before that year or subsequently. This is recent AFM "interpretation." Just what it means to TV networks and stations, which have been using spate of such features, wasn't made known.

AFM czar also asked pay of 20% above AM rates for TV musicians. For simulcasts, he wants 50% above AM scale, \$12 per man for costuming and makeup. Present TV scale is 95% of AM scale for network, 80% for local shows. Present AM scale is \$18 for half hour, \$23 for hour, \$7.50 per hour for rehearsals—but union is asking about 50% hike in AM pay.

If and when new contract is signed, Petrillo agreed not to strike networks if Wage Stabilization Board turns him down. Under present price-wage freeze, all contracts after Jan 25 must be approved by WSB.

Personal Notes: Harry Stone, onetime mgr. of WSM & WSM-TV, Nashville, new gen. mgr. of KPHO & KPHO-TV, Phoenix, with Wm. Burton, cx-artist mgr., becoming program director . . . Mike Dann, NBC trade editor, shifted to NBC-TV sales dept. to coordinate program package sales . . . Wm. A. Porter elected president of FCC Bar Assn., succeeding Neville Miller. Other officers: Arthur W. Scharfeld, first v.p.; Fred W. Albertson, 2nd v.p.; Russell R. Eagan, secy.; Quayle B. Smith, treas. . . . John M. Wyatt, TV-radio chief of Grey Adv., and Reggie Schuebel, TV-radio chief of Duane Jones Adv., have resigned to form new program agency opening Feb. 1 as Wyatt & Scheubel, 40 E. 51st St., N. Y. . . . Earl Ebi, ex-J. Walter Thompson, named TV-radio director, Warwick & Legler, Hollywood . . . C. Nelson Baker now heading TV-radio, Ruthrauff & Ryan, Baltimore . . . Mike Jablons, special asst. to FCC Comr. Hennock, has resigned, left for trip to Europe, returns March 1 to resume post of v.p.-gen. mgr. of Gainsborough Associates, N. Y. . . . Henry B. Owen, president of KING & KING-TV, Seattle, named head of Seattle Office of Price Stabilization regional office . . . Donald Fink, *Electronics*, new chairman of U. S. preparatory committee on TV (CCIR Study Group 11); Neal McNaughten, NAB, chairman of both U. S. and international groups on broadcasting (Group 10) . . . Roland W. Gillett, v.p. in charge of TV-radio for Young & Rubicam, has resigned and left for combination vacation and business trip to Hollywood.

Defying National Collegiate Athletic Assn.'s one-year ban on live telecasts (Vol. 7:2), U of Pennsylvania has invited TV networks to submit bids for carrying its 1951 home football schedule, Jan. 31 *Variety* reports. *Wall Street Journal* Jan. 31 story blames TV for "sabotaging the box office" at sporting events, cites 20-40% dip in current New York and Boston basketball gates, 57% drop in Chicago Stadium attendance, 25% lag in attendance at Boston Bruins hockey games—in contrast in increase in athletic gates in non-TV areas. Chicago Stadium press agent James Kearns is quoted: "Televising of our own games doesn't hurt us so much, but on Saturday nights we're competing with top video comics like Imogene Coca and Sid Caesar, basketball from New York's Madison Square Garden, and the comforts of the living room." Illinois State Legislature, fourth to get sports TV legislation (Vol. 7:4), is considering bill to ban theatre TV of games of tax-supported institutions unless games are also telecast for general public use.

Danish TV station, serving Copenhagen-Malmo area, is reported in February *Electronics* to be due on air any time now. Magazine says Danish-made sets have been demonstrated, that "components, with the exception of picture tubes, can be made by some 30 plants and assembled by about 20 others, the two groups at present employing 25,000-odd people."

More color speeches: CBS's Peter Goldmark defended his system, attacked manufacturers for not promoting it, in talk Jan. 30 to Cleveland (O.) Technical Societies Council. Hazeltine's A. V. Loughren and C. J. Hirsch will spread their gospel of mixed highs at Feb. 7 meeting of New York IRE in Engineering Societies Bldg., 33 W. 39th.

"Movies for TV" is subject and title of book by *Tele-Tech Magazine* associate editor John H. Battison, who also conducts course on subject at New York U. Author covers particularly difference between film for theatres and for TV. Published by Macmillan Co. (376 pp., \$4.25).

William I. Kaufman, NBC casting director, and Robert S. Colodzin, TV director of Manhattan Adv. Agency, are co-authors of *Your Career in Television*, published by Merlin Press (\$3.50).

Newspaper sales in TV areas have climbed second year in row, *Editor & Publisher* reported recently after second annual survey (for report on 1949 survey, see Vol. 5:49). Circulation gain by 438 daily and 97 Sunday papers during year ending Sept. 30 was: Dailies, 494,151 (morning, 201,301; evening, 379,582; morning-evening, 86,732 loss); Sunday papers, 534,897. TV area papers included in tally represented 35,000,000 daily circulation out of national total of 52,000,000, and 20,000,000 copies on Sunday out of total of 46,000,000. *Editor & Publisher* estimated 8,000,000 TV receivers in area covered by survey. In 1951 yearbook, *Editor & Publisher* estimates 53,829,072 newspapers sold daily in 1950, increase of 1,000,000 over year preceding. Number of newspapers decreased by 8 to total of 1772, magazine reports.

Comparing TV and film resolution, in January *Proceedings of the IRE*, 20th Century-Fox's H. J. Schlafly says TV's 360 lines of useful vertical resolution are equivalent to 12 lines per millimeter in 35mm sound motion picture film—whereas "in actual practice, film resolution having a limiting value of 30 to 40 lines per mm is not difficult to achieve." But he points out: "Some workers in the field believe that 'other factors affecting picture quality' [contrast ratio, etc.] . . . may eventually be so improved in the TV system that existing standards will permit a TV picture quality closely approximating that of the present-day 35mm motion picture film in spite of wide differences in the limiting value of picture resolution."

TV basketball league of own was formed by KFI-TV with aid of City of Los Angeles after UCLA and USC banded together to ask \$80,000 for TV rights to home games of both schools. Teams in new league, to play 20-game schedule primarily for televiewers, have outstanding stars from professional, college and prep school ranks. KFI-TV sales manager Kevin Sweeney said cost of underwriting new basketball league will be peanuts compared to \$80,000 asked by the college teams. Union Pacific Railroad, using one spot per game, is first to buy participations.

Competition from TV has hit—of all things—the bus companies, according to Morris Edwards, president of Cincinnati Street Railway Co., who says passenger traffic on city's buses last December was 6% below December 1949. "People work 5 days a week, but on weekends they stay home to watch TV, and most of the drop in passenger traffic occurred on weekends," he said.

David Sarnoff Gold Medal has been established by Society of Motion Picture & Television Engineers as annual award for outstanding contribution to TV engineering, counterpart of Society's Samuel L. Warner Memorial Award in movie and sound engineering.

"Impact of TV on motion picture industry," was given as reason for filing bankruptcy petition by owners of 2 Philadelphia theatres. Counsel told Federal Court Feb. 1 that TV had cut receipts so sharply that operating expenses could not be met.

New TV camera devices: Crane that lifts camera and cameraman up to 9-ft., 6-in., rotates 360 degrees, weighs only 2300 lbs., has been developed by NBC-TV engineer Sidney Sanner, formerly Warner Bros. special-effects man . . . Remote-controlled camera—turnable, tilttable, focusable, etc., from point miles away—has been announced by General Precision Labs, which seems to be coming up with a new TV device every few weeks. Camera has obvious use in dangerous industries such as atomic energy.

An electronic "prompter," brainchild of Fred Barton, member of *Mister Roberts* cast, has been developed at cost of some \$50,000 to ease minds of TV actors fearful of forgetting lines. Script is typed in inch-high letters on big spool of paper which unwinds as actors speak.

MATERIALS—TIGHTER SECOND QUARTER: If you think raw materials are short now, you ain't seen nothing yet!

That's nub of pronouncements, public and private, by officials and materials specialists of National Production Authority, the agency that distributes what's left of materials after military takes its share.

Take cobalt: This week NPA told users of this metal how much they'd get in February, first month of all-out allocation (Order M-10, see Vol. 6:52). Some users (toys, novelties, for example) got none. Civilian durable goods industries (including TV-radio) got slightly less than 35% of amount they've been using in recent months -- and a warning that they won't have it so good again for some time.

Magnet and speaker makers were pleasantly surprised by February allocation -- many had expected half of that. Gen. Wm. H. Harrison's Defense Production Administration, which cut cobalt pie, had to shave 15% from direct defense orders, 25% from defense-connected orders (machine tools to build military equipment, etc.) to give consumer durables a break this month.

But cobalt squeeze will get tighter with each passing month. Production of jet engines, armor-piercing ammunition, atomic energy projects -- all of which use cobalt in vast quantities -- will roll faster and faster from now on, requiring more and more of available cobalt supply.

That's fair warning -- and is important reason why industry is working so feverishly on conservation measures, such as small-magnet speakers and electrostatically-focused picture tubes (see story, p. 9).

Steel, copper, aluminum, too, will be scarcer next quarter, NPA told durable goods industry Jan. 29 (see Mobilization Notes). Order limiting use of steel in appliances and other consumer goods is already in hopper. And copper and aluminum restrictions will certainly be tightened by more than a few notches.

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One answer to apparent paradox of high set production, despite materials shortages, is "lead time." Taking cobalt as example, we find that, as of this week, average of 2-3 months elapses between day cobalt arrives at magnet fabricating plant and day TV set containing same cobalt comes off production line. (Another answer to paradox is fact that farsighted set and component makers initiated conservation programs as long ago as June and July.)

One full quarter elapses, in many cases, from raw material to finished set. As shortages continue, and grow worse, this lead time will decrease. But as of now, materials shortages resulting from stepped-up military program have scarcely been felt by TV-radio manufacturers, comparatively speaking.

Shortages creep up. First they're felt by materials fabricator, then by component maker, finally by end-product manufacturer.

Our check on cobalt shows that -- under present conditions -- average of 6-8 weeks elapse between arrival of cobalt at magnet foundry and its shipment to speaker maker in form of alnico magnet. Alnico stays at speaker plant average 2-3 weeks before speaker in which it's used is sent to set manufacturer. TV-radio makers are putting some speakers in sets within hours after they arrive; other speakers stay on shelf week or two.

A leading speaker maker says his first quarter production will add up to about 60-70% of fourth quarter 1950, thanks to use of smaller permanent magnets and some electromagnets.

Several TV manufacturers have asked NPA's Copper Div. for authority to buy extra copper to convert from permanent to electromagnetic speakers. Some speaker makers say they'll make electromagnetic speakers if customer will furnish copper.

Mobilization Notes: Brains of electronics and associated industries continued to lend themselves to important jobs in govt. production, control and procurement agencies. Among those who this week began work, or were reported ready to take over govt. posts:

J. A. Milling, RCA Service Co. v.p. in charge of home products servicing, loaned on dollar-a-year basis to NPA's Electronic Products Div.

Louis H. Neimann, Sylvania's sales engineering manager, reported contemplating leave of absence to accept uncompensated job in same division.

Eugene E. Smallwood, RCA consumer products div., granted leave to head up Office of Price Stabilization housewares branch, Consumer Durables Div. Branch will have a TV-radio section.

John A. Dennis, insurance engineer—component bottleneck-breaker and trouble-shooter in World War II War Production Board Radio-Radar Div.—started work with NPA Electronic Products Div., where presumably he will have similar job.

Nathan D. Golden, Commerce Dept. Motion Pictures Div. chief, has been named director of NPA's Film & Photographic Products Div.

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Senate Small Business Committee, in report on material shortages, warned that "serious shortage of subcontracting facilities" may result from fact that "NPA and the military procurement officers have not succeeded in developing a policy and mechanism which will help bridge the gulf between civilian production cutback and a fully-accelerated rate of defense buying." Committee called for "completely-controlled material allocation plan at the earliest possible moment," also urged: (1) fuller use of "public informational techniques" by all mobilization agencies; (2) augmentation of NPA staff for more expeditious handling of work; (3) "re-appraisal of military and stockpile requirements"; (4) attempt to coordinate military requirements with NPA restriction orders; (5) military procurement plan to channel contracts to industries hardest hit by material cutbacks; (6) splitting of large contracts into smaller units for maximum spreading to small plants.

Members of mobilization committee of Association of Electronic Parts & Equipment Mfrs. participating in Washington meeting (see p. 8): Arie Liberman, Talk-A-Phone Co., acting chairman; Herbert W. Clough, Belden Mfg.; Al Delighter, Standard Transformer; S. N. Shure, Shure Bros.; Abe Shanes, Talk-A-Phone; Kenneth C. Prince, legal counsel; S. I. Neiman, publicity counsel. Committee members from sales Managers Club: Sam Baraf, United Transformer; Samuel J. Spector, Insuline Corp.; Jerry Kirshbaum, Precision Apparatus; John Hauser, Sylvania.

Firms whose plants were shut down for more than 15 consecutive days during first half of 1950 will be allowed to omit the month or months during which shutdown occurred from base period computation for copper allotment, NPA ruled Feb. 2 in Direction 1 to M-12. Similar treatment was accorded aluminum users last November (Dir. 1 to M-7, see Vol. 6:48).

Curtiss-Wright Corp. has formed new Electronics Div., headquartering in Caldwell, N. J., headed by Joseph V. Miccio, ex-controller of its Airplane Div. Engineering chief is Dr. Richard C. Dehmel, who developed Curtiss-Wright's electronic flight simulators and trainers.

Brig. Gen. Eugene Y. Elder succeeded Brig. Gen. Alfred M. Shearer as Signal Corps procurement & distribution chief on Gen. Shearer's retirement Feb. 1. Gen. Elder was Gen. Shearer's assistant.

Vastly higher U. S. production of minerals that go into electronics equipment is goal of Defense Minerals Administration, which has power to encourage production of strategic minerals through loans, tax amortization, etc. As outlined in *Wall Street Journal*, these are some DMA aims: (1) Cobalt—increase U. S. production, now less than 500,000 lbs. a year, to 4,500,000 within 18 months (nearly 7,000,000 lbs. is imported annually from Africa). (2) Copper—DMA expects producers to spend \$200,000,000 on expansion in next 2-3 years. (3) Mica—DMA hopes to encourage domestic production (most of it now comes from India) by guaranteeing high "price floor." (4) Tungsten—goal is to increase current U. S. production of 4,000,000 tons a year, threefold in 2 years. Most of U. S. supply used to come from China. (5) Nickel—U. S. may reopen mine in Cuba, is investigating low-grade Oregon deposits. Most comes now from Canada.

Among unclassified military contracts for electronics and related equipment (more than \$100,000) announced by Commerce Dept. for week ending Jan. 30: Through Air Materiel Command, Dayton—Gilfillan Bros., \$4,529,818, indicator equipment; Super Electric Co., Jersey City, \$161,379, antenna coils. Through Navy Bureau of Aeronautics, Washington—Motorola, \$493,806, radar beacons; Telephonics Corp., Huntington, L. I., \$129,210, radar sets (500 units). Through Navy Bureau of Ships, Washington—Waterman Products Co., Philadelphia, \$432,524, oscilloscopes (600); Measurements Corp., Boonton, N. J., \$412,688, signal generators (750). In addition, GE Feb. 1 announced \$1,300,000 Signal Corps contract for microwave communications equipment.

All types of components have been classified into 11 major categories by RTMA, and submitted to Munitions Board. Categories, to be used as standards by military services in drawing up electronics requirements: Transducers, Transducer Accessories, Antennas, Circuit Interrupters, Resistors, Capacitors, Transformers, Housings, Piezoelectric Frequency Control Devices, Plugs & Connectors, Hardware. Similar breakdowns are due soon to cover Electronic End Equipment, Electron Tubes & Devices, Electronic Test Equipment. Work was done by task force headed by A. D. Plamondon, Indiana Steel Products.

Scarce material supply will be tighter in second quarter, NPA officials told 27 representatives of durable goods industries Jan. 29. Specifically mentioned were steel, copper, aluminum. Among those attending conference were: Crosley sales v.p. Wm. A. Brees, with Avco's B. M. Smarr and F. J. Hughes, GE's L. H. Miller and Westinghouse Appliance's J. H. Ashbaugh. Also at meeting was IUE-CIO president James B. Carey.

Another big expansion into electronics field by an aircraft firm (Vol. 7:4): Howard Hughes has leased or optioned 50 square miles near Tucson, Ariz., reportedly for guided missiles plant to cost between \$6,000,000 and \$9,000,000, to employ 1400-1800 workers with annual payroll possibly reaching \$35,000,000.



British use projections far more than we, to get big images, and *Wireless World's* "Diallist" suggests why in November issue: "America, with an output that runs into quasi-astronomical figures, can turn out CR tubes a good deal more cheaply than we can. We, on the other hand, seem to have advanced rather further in the technique of making reasonably long-lived, small, super-brilliant projection-type tubes." He said he knows of no British-made set with tube over 15-in. He also has good word for "spot wobble" technique of removing lines from picture (Vol. 6:32). "One might expect this to lead to a rather poorly-defined image," he says, "but I cannot honestly say that it had this effect."

REPLACEMENT PARTS PRIORITIES URGED: Growing gaps on replacement parts shelves led to action this week by alarmed components makers.

To assure that TVs, radios and other electronic equipment are kept in operating condition, NPA will be urged to pin priority ratings on orders for critical materials used in maintenance, repair and operating supplies. Two manufacturers' groups agreed at Washington meeting Jan. 30 to make this request.

Mobilization committees of Association of Electronic Parts & Equipment Manufacturers (Chicago) and Sales Managers Club, Eastern Group (New York), framed priority plan to be presented to National Production Authority in form of resolution next week (for list of committee members, see p. 7).

Maintenance, repair and operating supplies made from priority materials would be sold to distributors who certify parts will be used for replacement only. Proposals are similar to those made by task group from NPA's Radio, TV & Household Appliance Wholesale Advisory Committee (Vol. 7:2).

There's little doubt that NPA will issue an order to help assure supply of repair parts -- but may wait until after July when Controlled Materials Plan (CMP) is expected to be put into operation (Vol. 7:3) for action on retail level. World War II CMP gave limited priority to maintenance, repair and operating supplies.

MATERIALS & RAIL STRIKE CLOUD TRADE: Outlook for TV-radio trade grew more uncertain this week as rail stoppage forced some major factory shutdowns (see p. 1) and NPA indicated raw materials shortages are bound to grow worse (see p. 6).

Everybody expected rail service would resume soon -- but, so far as raw materials are concerned, dim ray of hope came in statement attributed to one of highest govt. officials dealing with defense production. Referring to electronics industry's ability to substitute, he said:

"Those fellows are the most ingenious workers of magic in the world. I won't be surprised if they can maintain a fairly high civilian production with the substitutes they've already told us about. There's no doubt they'll have to substitute certain metals, or there won't be any television or radio sets to speak of."

Not only Philco (Vol. 6:47, 7:2-4) but most other concerns, who prefer to keep details to themselves for the present, have substitution programs on tap -- though general attitude was expressed by one thus: "We'd rather turn out good sets and less of them if we have to. Whatever else we do, we must maintain quality."

* * * *

It's manifestly impossible to reckon, with any degree of certitude, what's in store rest of year -- though first quarter was going good until strike came. For example, third week January's output estimate jumped to 188,758 TVs, 342,586 radios, from second week's 167,859 TVs, 338,520 radios (Vol. 7:4) and first week's 105,699 TVs, 209,792 radios (Vol. 7:3) -- giving industry flying start on first quarter.

There's still hope first quarter will continue good, but second quarter is imponderable. Some manufacturers are optimistic, some pessimistic -- attitudes depending on what each thinks will be available in way of materials and components and how confident they are of conservation-substitution programs.

Oddly, Midwest manufacturers we contacted seemed to think materials would continue in good supply, Eastern manufacturers were less hopeful. For example, Hallicrafters' Wm. Halligan felt so confident he predicted possible 5,000,000 TV sets this year if international situation doesn't turn worse. That's double most pessimistic guess, 1,000,000 more than our own recent guesstimate (Vol. 7:4).

Eastern set makers feared that even substitution programs would suffer from lack of right materials, worried about major changes in circuitry required. One

major told us he was preparing to pare another 200 sets per day from his schedule, having already cut 300 per day from 1950 final quarter peak level. Another expressed fear of 50% cut in second quarter. All agreed their fate depends mostly on NPA.

Some manufacturers seemed concerned lest sales be even more limiting factor than materials, but continued high purchasing power tends to mitigate this fear. Yet it's no secret many distributors and retailers are heavily stocked, and that consumers haven't exactly been storming their doors in recent weeks.

One retailer is quoted in Retailing Daily as saying a lot of this year's sales were "borrowed" from last year. Another is quoted: "Why should a customer rush out to buy if he knows the prices are not going up?"

President Truman's tax recommendations mean higher income taxes, which could affect sales -- certainly in March! -- and there's still talk of stiffer credit regulations. Proposed tax program also embraces higher excise taxes, which would inevitably be passed on to customer, regardless of price controls.

As for conservation and substitution, they're saying little about it, don't like references to "austerity models" because it implies degraded quality. But fact is that already going into new sets are such items as: (1) Smaller magnets for loud-speakers. (2) Nickel-plated steel for receiving tube plates. (3) Polished steel instead of bronze trim.

On horizon are electrostatic tubes, electromagnetic speakers, metalized cardboard for shielding, selenium voltage doublers in place of transformers.

MID-WINTER PICTURE TUBE LINEUP: Main trend in picture tubes is now unquestionably, albeit reluctantly, to electrostatic types. As tube-makers put it, they save vital metals (cobalt, copper, etc.), they work -- and that's that. But they generally mean a lot of set-design changes, although some makers say they have some exclusive tricks up their sleeves.

Among latest promising such tubes "soon" or "in a few weeks" are DuMont, Sylvania and Raytheon -- these in addition to previously reported RCA, Lansdale, National Union (Vol. 7:1,3-4). RCA says customers who've sampled its electrostatics are happy about them.

In size trends, 17 & 20-in. rectangulars are "it," as expected (Vol. 7:1). Smaller sizes and rounds continue to peter out. Corning is sole producer of 20-in. blanks, has customers on allocation. American Structural Products (Kimble) expects to have 20s in April. Surprisingly, some shrinkage of 20-in. demand is reported by one big tube-maker, but he seems to be exception. He attributes falling-off to high price of big sets, credit restrictions.

Plans for the bigger tubes (21-in. and up) are conflicting -- with GE's 24-in. and DuMont's 30-in. still mere trickle.

RCA still has 21-in. metal-shell tube in works, but doesn't venture when it will emerge -- in fact, there was conference on it in Camden at week's end. Metal supplier Spincraft indicates 21-in. shells won't be out for couple months. DuMont says "late in year" for 21-in. metal, isn't making 17-in. metal yet. Sylvania's 21-in. plans are up in air. Corning and American Structural report 21-in. "under consideration," but won't make them unless there's more demand.

Apparently fearing some steel shortage, several tube-makers seem a bit cool towards metal-shell types. This attitude is completely unwarranted, according to Spincraft's T. J. Salow Jr. He's emphatic in reiterating (Vol. 6:41) that chrome alloy type of steel is plentiful, as it was even during World War II, and asserts it will continue to be so long after shortages of other metals curtail set production. "Steel makers are crying for this kind of business," he reports.

Some foreign business is also reported by Mr. Salow. He has sold 16 & 19-in. cones to Dutch and French manufacturers, says volume isn't great, but has been quite valuable as outlet for rounds during U.S. shift to rectangulars.

Glass blowers are ready, they say, to handle all picture tube demands in event metal does become short.

* * * *

Tube life of 3000 hours can usually be expected, writes chief engineer Art

Green of Fidelity Tube Corp. in January Radio & Television Journal. His findings point up industry's consistent caution in promising long tube life. In first post-war sets, 1000 hours was thought to be good rule-of-thumb. After couple years, 2000 hours became common figure. Now, says Mr. Green:

"Darkening of the screen is so gradual that the user cannot detect the change during 2000 or 3000 or even 5000 hours of operation. The service man is in a position at this time to show his customer, by direct comparison with a new tube, how he, the customer, can add to his viewing pleasure by simply installing a new picture tube."

* * * *

Picture tube sales up 124%, receiving tubes up 93% in 1950 over 1949 -- that's gist of RTMA reports this week.

Sales of picture tubes to set makers totaled 7,473,614 units valued at \$198,737,428, compared to 3,305,673 valued at \$92,402,520 in 1949. Trend to larger screens was indicated by fact 72% were 16-in. and larger, whereas only 16% were 14-in. and larger in 1949. December sales were 686,815 -- 95% being 16-in. and larger.

Receiving tube sales totaled 383,960,599 in 1950 vs. 198,753,295 in 1949. Sold for new sets were 301,483,350, for replacements 69,324,540, export 10,767,831, govt. 1,384,878. December sales were 38,326,641 vs. 23,807,281 in December 1949.

Topics & Trends of TV Trade: There won't be anything specific on TV-radio price controls for some time. That's only thing certain this second week of OPS price "freeze" (Vol. 7:4). Sometime next week, first major revision of blanket controls is expected. It will set up "margin-type" controls, according to all reports. In essence, that means higher costs or wages can be passed on to consumer.

There's some question whether manufacturer-distributor-retailer will be able to realize more dollars and cents from higher costs. Decision will make that clear. OPS will stress continuance by industry of same proportion of low-end and medium-priced items in lines.

Only call for exemption of TV-radio from price controls came this week from Emerson president Ben Abrams. He pointed to special treatment accorded TV-radio industry in excess profits tax (Vol. 6:43-51), even in voluntary price regulations (Vol. 6:51-52).

Exempted from price freeze this week were special military equipment, including communications items.

* * * *

Hoffman Radio reported high bidder (at \$401,000) for assets of defunct Aireon Corp., Kansas City, being auctioned by RFC. Firm did war contract work, then made radio speakers and coin-operated phonographs. Plant was sold last December, and bid covers "right, title and interest of the RFC in the lease, leasehold improvements, office equipment, names, dies, patents, good will, trade names, trucks, merchandise inventory and electronic and engineering instruments." Bids must be reviewed by RFC.

Radio excise tax collections for all 1950 totaled \$52,594,623, compared with \$40,638,870 for 1949. December collections on radios, phonos, etc., which included TV fully for first time, were \$5,483,963, compared with November's \$5,359,960, October's \$5,392,095, Dec. 1949's \$4,499,451.

Philadelphia retailers sold 364,233 TV sets in 1950 with retail value of \$104,942,761. This compares with 220,366 sets and \$73,274,529 value in 1949. Average price of 1950 set, according to Philadelphia Electrical Assn. report, was \$288 compared to \$322 in 1949.

Handbook for retailers of TVs, radios, FM, records, appliances has been issued under title of *Guide to Greater Profits* by dealer trade journal *Radio & Television Retailing* (Caldwell-Clements Inc., 480 Lexington Ave., N. Y.).

TV set advertising, which may eventually top automotive (as radio did several years of its heyday), was major factor in newspaper advertising during 1950, according to Advertising Checking Bureau. From records on TV and radio set copy in 49 cities with telecasting facilities, bureau found (1) that TV set lineage exceeded that for radio sets by 9 to 1; (2) that 16.7%, or about one-sixth, of year's TV set ads and 23% of radio set ads appeared during Xmas season, Nov. 26-Dec. 30; (3) that 3 leading TV brands accounted for more than one-third total space used—12%, 11.9%, 11.3%, respectively; (4) that next 14 brands divided 43.1% of total, remainder being miscellaneous makes.

Advertising notes: Emerson ad will be printed on back of 125,000,000 Western Union envelopes in year's contract said to be first of kind . . . Philco spent \$28,000,000 on adv.-sales promotion in 1950, plans to continue at same rate first quarter 1951 though year's total will probably be less, will continue indefinitely *Philco Playhouse* on NBC-TV, *Don McNeill Club* on ABC-TV, *Breakfast Club* on ABC—all thru Hutchins Adv., Philadelphia . . . Hallcrafters going in heavily for outdoor display, pushing TV via posters, bulletins, traveling displays, car cards, thru Sorenson & Co., Chicago . . . Tele-tone's new agency is Dowd, Redfield & Johnstone Inc., New York . . . DuMont placing tape-recorded series of radio commentaries by Quentin Reynolds for local distributor-dealer sponsorship.

Admiral is paying \$145,000 for TV and radio broadcasting rights to 3 major *Chicago Tribune* charities sporting events this year—\$22,500 each for Chicago and international finals of golden gloves boxing, March 9 & 29, and \$100,000 for College All Stars-Pro League Champions grid game Aug. 27. Ad mgr. Seymour Mintz says networks haven't been arranged yet, but it's likely TV will be via DuMont, radio via Mutual.

* * * *

December sales of larger TV-radio stores in 45 large cities soared 52% over November, but were 2% below December 1949, Commerce Dept. reports. Sales in same stores were 24% higher in 1950 than in 1949. Sales of TV-radio-appliance dealers were up 32% from November to December and their December sales were 3% higher than December 1949, with sales for all of 1950 reported 27% greater than 1949. Of the 45 cities surveyed, all but 2 are in TV areas.

New national servicemen's organization was formed in Washington Jan. 28 at meeting of delegates from New York, Pennsylvania, New Jersey, District of Columbia (Vol. 7:3). Name chosen is National Electronic & Service Dealers Assn., with Max Liebowitz, Associated Radio-TV Servicemen of New York, president; Norman Selinger, TV Associates of Washington, v.p.; Roger Haines, Allied TV Technicians of South Jersey, recording secy.; Richard Devaney, Philadelphia Radio Servicemen's Assn., corresponding secy.; Vance Beachley, Midstate Radio Servicemen's Assn., Harrisburg, treas. Next meeting is March 4 in Philadelphia.

Trade Miscellany: American Structural Products Co., like Corning Glass (Vol. 6:43), is preparing cylindrical face for glare reduction, but isn't yet satisfied technique is proven . . . DuMont has cut cost to manufacturers of 17-in. CR tube from \$28.50 to \$26; some smaller makers are reported down to \$23.50 . . . Philco, for its Accessories Div., has leased 4-story building (30,000 sq. ft.) at 1208 N. Delaware Ave., Philadelphia.

Almost half the 27,680 TVs sold in Canada up to end of October are in Windsor (Detroit) area, reports Canadian RMA. About one-third are in Toronto-Hamilton area. October sales of 4267 sets had value of \$1,798,621, including taxes. AM-FM receivers continue to sell well in Canada—Ottawa Bureau of Statistics reporting 516,983 sets sold at cost of \$43,471,577 first 9 months of 1950.

Ottawa reports have it that Canadian Govt. may call off Parliament-approved loan of \$4,500,000 to enable CBC to build telecasting stations in Montreal and Toronto, thus freezing TV prospects in the Dominion for the duration. Reports are based on stepped-up requirements of armed forces for electronics equipment. Official announcement is expected soon.

Aerovox has borrowed \$3,000,000 from Prudential Insurance Co. on 4¼% note running to Jan. 1, 1966, and calling for annual repayments of \$200,000 starting Jan. 1, 1952. Of the borrowing, \$1,769,999 was applied to retirement of outstanding notes held by Prudential.

RCA Victor Ltd., Montreal, and Warner Alemitte Corp. of Canada, Belleville, Ont., have been authorized by Canadian Broadcasting Corp. to operate low-power experimental TV stations—former on Channel 5, latter Channel 10.

International GE reports its 10-day closed-circuit demonstration of TV in Helsinki dept. store, viewed by more than 10,000, made such hit that Finnish interests hope to have TV in time for 1952 Olympic Games there.

Avco (Crosley) has sued Admiral in Chicago Federal district court charging latter's promotion of "Servador" infringes on Crosley's "Shelvador" refrigerator trademark.

Trade Personals: Earl W. Muntz, ex-executive v.p., elected president of Muntz TV Inc., Thomas E. Courtney becoming board chairman . . . Wm. D. Stroben, ex-Thor Corp., appointed adv. mgr., TV & radio div., Sylvania . . . John T. Burdick, ex-mgr. of central lighting sales div., Chicago, named director of all Sylvania Midwest sales, including TV-radio div. . . . Samuel Olchak, Air King adv. mgr., one-time with Tele-tone, promoted to asst. sales mgr. . . . John B. Taggart, ex-RCA Camden, appointed managing field engineer for Work-Factory Co., management consultants . . . Ivar G. Blackberg promoted to chief purchasing agent, Stewart-Warner Electric, TV-radio div., now in process of moving from main Chicago plant to new plant at 1300 No. Kostner Ave. . . . Arthur A. Currie named field sales mgr., Sylvania TV-radio div. . . . Allan Easton, ex-Tele-tone, appointed chief of microwave section, Radio Receptor Co.

Financial & Trade Notes: Sparks-Withington, for 6 months ended Dec. 31, or first half of its fiscal year, reports sales of \$14,015,516, profit after all charges of \$515,991 or 56¢ per share after preferred dividend requirements. It declared dividend of 20¢ a share payable Feb. 22 to holders Feb. 7, first since recent proxy fight which resulted in changes in board and management (Vol. 6:44). Dividend is double last one paid Oct. 5, 1950. Sales for same 1949 period were \$8,599,589, net profit \$183,183 (19¢).

Muntz TV Inc. reports profits of \$533,953 after all charges for 9 months ended Dec. 31, equal to 33¢ per share on 1,013,994 shares of common stock outstanding. Sales for period totaled \$18,643,507. No comparable figures are available since company was organized as Delaware corporation in May 1950. Dividend of 15¢ has been declared, payable Feb. 28 to holders of Feb. 15. Company reports it's producing 12,500 TVs per month, average \$3,000,000 gross sales monthly, with enough supplies to continue through April.

Bendix Aviation reports 1950 sales of \$219,419,794, net profit of \$16,954,116 (\$8 per common share) vs. \$182,674,462 sales and \$11,086,781 (\$5.23) in 1949. Aircraft equipment amounted to 49% of total volume, automotive products 30%, which means that undisclosed TV-radio volume must fall somewhere within remaining 21%. Backlog of unfilled orders was reported at \$336,000,000, compared with \$165,000,000 in 1949. Net working capital as of last Sept. 30 was \$83,690,011 vs. \$73,328,670 year earlier.

Kaye-Halbert has registered with SEC new issue of 120,000 Class A \$1 par common to sell for \$5, proceeds to be used for expanding production and sales. Company showed net earnings of \$99,500 for fiscal year ended Sept. 30, 1950, or about 75¢ per share, and v.p. David Kaye states earnings for last 1950 quarter will compare favorably with whole of previous fiscal year.

Dividends: Avco, 15¢ payable March 20 to holders Feb. 23; P. R. Mallory & Co., 30¢ payable March 10 to holders of Feb. 21; Standard Coil Products Co., 25¢ payable Feb. 15 to holders of Feb. 5; Westinghouse, 50¢ payable March 5 to holders Feb. 13; Blaw-Knox, 25¢ payable March 13 to holders Feb. 15.

Olympic Radio's 1950 profit is indicated at around \$1,250,000, or about \$3.70 per share of 338,263 common shares outstanding, total sales having been about \$21,500,000. This compares with 1949 net earnings of \$578,163 (\$1.70) on sales of \$9,699,672.

General Instrument Corp., for 9 months ended Nov. 30, reports \$18,509,489 sales, \$769,247 net profit after all taxes (\$1.58 per share), as against \$9,017,196 sales, \$62,652 loss for same 1949 period. Quarter ended Nov. 30 resulted in \$282,080 profit (58¢) vs. \$201,779 (41¢) same period 1949.

Packard-Bell first fiscal quarter earnings (Oct. 1 to Dec. 31) were reported to stockholders as \$736,381 net after taxes, or \$1.25 per share on 588,000 shares outstanding, compared with \$221,318 for comparable 1949 period. Sales for quarter were \$7,355,807, compared to \$2,921,380.

Trav-Ler reports its 1950 earnings will be about \$1.50 per share, not allowing for excess profits tax, compared with 53¢ in 1949.

Muter Co. reports net income of \$931,299 for 10 months ended Oct. 31, 1950, equal to \$1.57 per share on 592,000 shares outstanding.

New York Stock Exchange reports John B. Huarisa, executive v.p. of Admiral, has reduced his direct holdings to 89,442 shares because of gift of 6000 during December.

Sprague Electric Co. sales and earnings for 1950 are estimated at nearly double 1949 totals of \$15,300,000, or \$2.48 per share, in analysis by Joseph Mayr & Co., N. Y.

Telecasting Notes: TV covers markets with effective buying income of \$130,898,000,000, according to NBC market data presentation issued this week in conjunction with its Jan. 1 census of TV sets (Vol. 7:3). Based on 1950 *Sales Management* buying guide, study shows TV covers: (a) 26,482,000 families, or 61.8% of U. S. total of 42,844,000. (b) 90,548,000 persons, or 60.7% of total population. (c) \$84,942,000,000 retail sales, or 66.3% of U. S. total. (d) \$20,455,000 food sales, or 67.7% of total. (e) \$2,413,000,000 drug sales, or 66.4% . . . "Must" reading for your commercial and program depts.: Special section of Jan. 29 *Sponsor Magazine*, devoted to daytime TV, covering basic facts and figures, soap operas, daytime spot and network programming, 14 capsuled result stories . . . Lucky Strike reported cancelling all radio spots (about \$1,000,000 worth) due to heavy budgeting for TV, now some \$6,000,000 annually . . . Chicago White Sox and Cubs have both agreed to telecasts of 1951 games, with WGN-TV getting 58 daytime home games of former, WGN-TV & WBKB splitting Cubs schedule; sponsors will be announced soon . . . New York's WPIX signs for all Giants' home games, to be sponsored by Chesterfield . . . Detroit's WJBK-TV is latest to report educational tieup (Vol. 7:2), on Feb. 4 starts seminar called *University of Detroit Round Table* . . . Show that started 10:30 p.m. Saturday, signed off 6 a.m. Sunday, Jan. 27, got lots of DX reaction for KPRC-TV, Houston, resulted in \$20,155 collected for March of Dimes . . . Purchase of several Hollywood theaters reported under consideration for expanding NBC-TV—would permit more kine-recording, too . . . Indianapolis' WFBM-TV moves into new Radio-TV Centre Bldg. about March 10, housing 40x60 ft. and 30x40 ft. studios 2 stories high . . . WHBF-TV, Rock Island, Feb. 15 raises one-min. announcement rate from \$35 to \$50 . . . Local high school and other *Bands in the Making* provide good Sun. 2:30 p.m. program by that title on KFI-TV, Los Angeles . . . Blair TV Inc. has opened Jacksonville office, managed by Harry E. Cummings, and has named v.p. Lindsey Spight to head San Francisco operations, now entirely separated from radio.

Long-germinating FM "inquiry" by FCC, covering special uses of stations for Muzak-like programs, transi-casting, etc., broke into open this week when Commission sent letters to several stations, asking them to tell why "functional music" operations are legal and/or in public interest—leaving strong implication FCC doesn't think they are. Stations queried: WLRD, Miami Beach; WFMF, Chicago; KDFC, San Francisco; WACE-FM, Chicopee, Mass. Similar action is expected soon in transi-casting, storecasting.

Analysis of uhf receiver performance, by FCC lab chief E. W. Chapin, was last subject in general-issues phase of FCC allocations hearing ended Jan. 31. Study was based on 5 experimental units sent FCC by manufacturers. His conclusions: "Considerable progress has been made . . . particularly in the direction of adequate sensitivity. However, at this time it is most apparent that there is considerable difficulty with oscillator radiations and spurious responses."

Total of 41,902,700 radio families in U. S., or 95% of grand total of 44,108,100 families, is estimated by NAB—based on *Sales Management* figures. This is 1,201,000 more than Jan. 1, 1950. Total TV sets-in-use, as of Jan. 1, 1951, estimated by NBC Research, was 10,549,500 in 63 TV areas embracing 26,482,100 families (for area break-downs, see Vol. 7:3).

Sylvania pleaded "nolo contendere" in Federal district court, Harrisburg, Jan. 30, and was fined \$2500 for operating TV station in Emporium, Pa., without FCC permission (Vol. 6:42-43).

End of educational TV hearing this week found CBS president Frank Stanton insisting, under cross-examination, that educators make their justification for channels on a community-by-community basis. Flatly opposed to blanket nation-wide reservation for schools, Stanton thought FCC might want to hold a channel in a specific city while educational applicant took year or so to acquire funds, but that's as far as he'd go towards reservation. Meanwhile, Sen. John Bricker (R-O.) introduced resolution Feb. 1 (S. J. Res. 28) directing FCC to "make a full and complete study" of subject and to "give consideration to the allocation of at least one frequency within each State or suitable geographic region" for educational TV. And Rep. James Dolliver (R-Iowa) introduced H. J. Res. 148 for same purpose. Comr. Hennock plugged away for reserved channels in Feb. 1 speech before Women's National Democratic Club in Washington, while educators' counsel Telford Taylor argued for support of educational stations with tax money and private endowment in Jan. 28 *New York Times Magazine* article. On other side, *Times'* Jack Gould took educators to task for "loading" their analysis of commercial programs (Vol. 7:4).

Appeal from FCC's color decision, filed by RCA and intervenors last week (Vol. 7:4), will be answered by FCC Feb. 5 when it files motion asking Supreme Court to affirm lower court's decision in its favor (Vol. 6:51). Appellants then have 20 days in which to respond to Commission's latest motion. Since Supreme Court is in recess until Feb. 26, its action (either granting RCA, et al, oral argument or agreeing with FCC) isn't expected until March 5 at earliest. If oral argument is granted, date for hearing will be determined by condition of Court's calendar. If Commission wins, lower court's restraining order (forbidding commercial operation of CBS system until April 1) is voided immediately.

Color demonstrations: CBS and Remington-Rand collaborated in effort to "sell" system to military during showings this week in Washington's Carlton Hotel. Atlanta, Ga., public saw CBS color in Municipal Auditorium showings this week, preliminary to surgical demonstrations sponsored by Smith, Kline & French for Atlanta Graduate Medical Assembly over weekend. WSB-TV, Rich's Dept. Store and Board of Education assisted in public showings.

Revocation of 3-year-old experimental TV station KG2XBI, Lancaster, Pa., was ordered by FCC this week on grounds operation by group of RCA tube plant engineers, known as Conestoga Television Assn., didn't comply with rules. Station, put into operation in 1948, picked up Philadelphia TV programs, rebroadcast them via uhf.

Fourth week of Phonevision tests in Chicago saw 505 orders for 21 screenings from the 300 "test homes," according to Zenith analysis reported in Jan. 31 *Variety*. This compares with 561 orders third week, 569 orders second week (Vol. 7:4). Saturday & Sundays still remain top "boxoffice" days—with 195 fourth week, 206 third week.

New and Better TV Map

New Television Map of the United States, revised to Jan. 15, 1951, and considerably improved, has been published by *Television Digest*, and one copy was inserted with our Jan. 15 *TV Factbook No. 12*. It makes an excellent wall-map, or can be used as a working outline. It's 22x26 in., in color, shows locations of and lists all operating TV stations with present and projected network routes. Because of demand for extra copies, we have had more published and they're available at \$1 each. Quantity prices on request.

MARTIN CODEL'S

AUTHORITATIVE NEWS SERVICE
OF THE
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WHAT 25% EXCISE TAX WILL MEAN TO TV: Immediate spurt in set sales, upsurge in TV audience telescoped into early months of 1951 -- then a "feast to famine" letdown.

That seems to be industry's prospect, as result of Treasury Dept.'s Feb. 5 proposal to hike manufacturers' excise tax from present 10% up to 25%, not only on TVs and radios but on phonographs, records, refrigerators, other appliances.

Inventories are available for heavy buying wave (see Trade Report, p. 8), but nobody is happy about this roller-coaster way of doing business. But, then, a sales slowdown is foreseen anyhow later in the year when war orders are expected to circumscribe all civilian production.

Treasury's plan has already started rush to buy, as same news did for several months before 10% excise went into effect last Nov. 1. Everybody agrees that after tax becomes effective, probably in mid-summer, sales will drop -- but hard.

Administration's tax program would also impose 20% excise on autos, \$12 per gallon on liquor, 10¢ per pack on cigarettes, 3¢ per gallon on gasoline; would jump corporation rates from 47% to 55%; would lift current 62% ceiling on combined corporation and excess profits tax up to 70%; would levy higher personal income taxes.

It's not a fait accompli, of course, and some opposition may arise -- but President Truman has evinced his determination to raise the needed revenues by every possible means -- and the Treasury estimates foregoing categories alone will bring in about \$10 billion (\$3 billion from the new excises).

Building up among business men, and some Congressmen, is sentiment for general sales tax, supported by NAM. Latest in favor is National Assn. of Music Merchants, which resolved at board meeting in Washington this week to recommend "national retail sales tax" instead of higher excises -- on grounds sales tax is one public knows about whereas an excise tax is "hidden". NAMM embraces many retailers heavily in TV-radio business.

Another proposal, submitted to House Ways & Means Committee Feb. 9, asks for 5% manufacturer's excise on all products except foods -- made by Thomas N. Tarleau, Commerce & Industry Assn. of New York. Committee resumes tax hearings Feb. 14, hears more govt. and industry spokesmen.

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Impact of such a heavy excise tax would be serious, indeed. Whereas recent 10% factory excise meant about 6% price increase at retail, proposed 25% levy would mean at least 15% at retail. Thus a \$300 TV, on which tax of about \$18 is now paid, would cost customer \$45 or more.

Retailers have various ways of hiding this tax, either absorbing it in list or combining it with installation-warranty -- but any way they do it, the customer must pay, and this is only one facet of recent wave of price increases.

Most affected industries reacted sharply to the news, TV-radio arguing:

(1) Tax becomes self-defeating, if object is revenue, since higher costs discourage buying, thus lessen income to Govt.

(2) Tax raise is discriminatory, since no changes are recommended in levy on movie admissions, jewelry, cosmetics, furs, other luxury items. It also falls hardest on people with low incomes, to whom TV means most for home entertainment.

(3) Electronics industry must be kept free of sales obstacles, so as to keep its "army of workers" mobilized for defense jobs ahead.

Treasury's main contention is that it's best to hit consumer durable industries because they're big users of "materials that will be in short supply." It counters discrimination plea by noting other taxes are on retail prices, go as high as 17-20%. Since purpose is also to combat inflation, Treasury feels impact on low-income group is all to the good.

One govt. fiscal expert said that higher prices for other goods and their reduced output, notably of autos, might free more money for TV purchases.

'ROUGH DRAFT' OF NETWORK EXTENSIONS: AT&T's thinking about TV network expansion beyond this year is indicated in Winter 1950-51 issue of Bell Telephone Magazine by engineers Richard D. Campbell and Earl Schooley. Contemplated links, all microwave, are merely "under consideration," aren't final, aren't set for any specific date.

For this year's expansion schedule, see map with TV Factbook No. 12; it's all definite, except Rochester-Syracuse circuit which has been postponed to 1952.

Routes into "virgin" Southwest, other non-connected areas, are most interesting facets of contemplated extensions outlined in article:

Kansas City-Wichita-Oklahoma City-Ft. Worth-Dallas-Austin-San Antonio, with spur to Tulsa; Seattle-Portland; Yakima-Walla Walla-Spokane.

Additional links contemplated for interconnected cities, present circuits in parentheses: Richmond-Charlotte (2 southbound coaxial); Charlotte-Atlanta (2 southbound -- 1 coaxial, 1 microwave); Cleveland-Erie (2 eastbound coaxial); Erie-Buffalo (1 eastbound coaxial), Pittsburgh-Columbus (none direct); Dayton-Huntington-Charleston (Cincinnati-Huntington now has private microwave); Chicago-St. Louis (2 coaxial -- 1 each direction); Los Angeles-San Diego (1 off-air).

TELECASTERS COMING OUT OF THE RED: Quote from a successful TV station operator:

"Any telecaster who isn't operating in the black by now had better get the hell out of the business."

Our own list of profit-makers grows steadily (see Index to 1950 Newsletters, also Vol. 7:4) -- and it's no secret that time is at premium now on most stations, while rates continue to go up.

Best guess is that only the 4 networks, a few if any of their owned-and-managed stations (NBC 5, ABC 5, DuMont 3, CBS 2½), not more than a dozen of the 107 TV stations in the United States are still in the operating red.

Many must yet amortize past losses, and some aren't able to write off heavy depreciations yet -- but they're on the way. For example, Billboard reports that Crosley's 3 Ohio stations are now definitely in the operating black, after 27 months of losses totaling \$1,314,000 on plant investments aggregating \$3,500,000.

Several stations besides the network keys, or such exceptional operations as DuMont's WDTV in Pittsburgh, have gone well over gross of \$1,000,000 during 1950.

And this week we learned of one station, less than 2 years old in city of less than 300,000 population, which last year achieved \$1,000,000 gross, as against sister AM's \$900,000 -- net unrevealed, but it's fair to assume it was substantial.

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Income outlook for TV-AM-FM stations may be good for 1951 -- but labor situation is going to be tough. That's view of NAB employer-employee relations director Richard Doherty, expressed Feb. 9 in speech before Georgia broadcasters.

Besides military draft, stations will suffer from wage freeze, expected manpower controls -- freeze encouraging employes to jump to higher-paying stations and to critical defense jobs, manpower controls nudging them toward "essential" industries. Doherty urged broadcasting-telecasting be continued on government's "essential" list, suggested stations fill vacancies "from within" if possible, develop new employe sources, call on FCC for relaxation of rules for engineers if necessary.

RCA SHARES CONSERVATION KNOW-HOW: Big RCA, which licenses practically entire TV-radio industry through its patent pool, this week sent a significant document to all set and tube manufacturers.

Entitled "Conservation of Critical Materials," it summarizes results to date of RCA engineers' intensive crusade to save scarce items and offers the fruit of 8 months research to all other manufacturers.

Riddle of January's heavy output of TV-radios (see p. 8) is at least partially solved by covering letter from RCA president Frank M. Folsom, which says, in part: "Without these important savings of restricted materials already achieved, our industry could not have attained the relatively high production of TV and radio receivers during the month of January."

No reduction in performance and quality of receivers has been forced by conservation measures, RCA assures. Rather than reduce number of components, RCA chose to redesign the components "to take full advantage of any new non-critical materials not previously used." Receiver itself has been redesigned to use "minimum amount of critical material."

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Giving credit to "many manufacturers of sets and components" for making "major contributions" to conservation of scarce materials, Folsom's letter urges others to "join us in earnestly pursuing this conservation program, not only for the resulting substantial savings in vital metals, but also to demonstrate to our govt. officials the industry's resourcefulness in this time of emergency.

"Only by doing everything possible to help itself can the industry feel morally justified in asking the help of govt. agencies in supplying sufficient critical materials to permit continued production of peacetime products, which in turn enable us to hold together our technical skills and our trained workers until they are needed to produce electronic equipment for the military services." Letter concludes with offer to answer any manufacturer's questions on conservation steps.

Meanwhile, Philco prepared to demonstrate its "conservation" TV set -- which also saves large amounts of scarce materials -- to NPA and other govt. brass in Washington next week (Vol. 7:2-4).

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Electrostatic picture tubes and redesigned speakers are two of the major developments, but by no means the only ones. Together, the two will reduce cobalt content in average TV set by almost 90%, RCA says -- a saving of more than 300,000 pounds of alnico per 1,000,000 receivers.

Redesigned speaker (Vol. 6:52, 7:2) is already in use by RCA, and electrostatically-focused picture tube (Vol. 7:1,3-5) will be used by RCA beginning in second quarter of this year in 17-in. rectangular sets. "By the end of the second quarter of 1951 it is planned to be completely changed over to electrostatic focusing on all sets," the report says.

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Here are some of the savings already worked out by RCA engineers -- many of them incorporated in sets presently in production:

Speakers: Alnico V speaker magnet (content 24% cobalt, 14% nickel, 8% aluminum, 3% copper, 51% iron), which formerly averaged 2.5 oz. per speaker, has been cut to average 0.75 oz., with largest magnet now used weighing 1 oz. This saves 70% of alnico; other speaker redesign measures save 35% steel, 90% brass.

Picture tube focusing: Electrostatic focusing (in place of alnico magnet) saves 5 oz. of Alnico V, 5 oz. of zinc, 8 oz. of steel. "When we have completely changed over to electrostatic focusing...the total [reduction in use of Alnico V in speaker and focusing] will be from 7.5 oz. to 0.75 oz.," RCA states.

Copper has been saved in these ways: Power transformer specifications have been changed, saving 0.19 lb. per transformer. (Other manufacturers are reported eliminating power transformer entirely by use of selenium voltage doubler.) Hook-up wire has been reduced from 22 to 24 gauge, a 33% saving in copper.

Savings in components RCA buys: Cup over end of picture tube on back of cabinet has been changed from aluminum to plastic. Shorter mounting bushings on some

variable controls save about 10% of brass in controls. Reduction in length of copper wire leads on capacitors saves 20% copper. Copper-clad steel wire leads are used instead of copper wire on wire-wound resistors and chokes. Alnico III magnets (no cobalt) are used instead of Alnico V for beam-benders.

Electron tubes: RCA gives details of nickel-plated steel strips (Vol. 6:49) used instead of pure nickel for tube plates. Nickel-plated Armco iron and low-nickel content stainless steel substitutes for pure nickel wire and copper wire in many tube components. Also being developed are facilities for use of 20% tin content solder in all operations -- in place of 35-60% tin.

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TV installation materials are conserved through measures already taken by RCA Service Co. Aluminum in antenna masts has been cut almost 50% during first quarter of 1951. Masts and antennas are narrower, shorter, thinner.

Copper in installations is being saved by: (1) Nation-wide program to place antenna near as possible to receiver. (2) Lighter weight lead-in wire, conserving as much as 33% in copper. (3) Splicing together and soldering short lengths of lead-in. Tests are being made with copper-coated steel wire for lead-ins, and with aluminum foil to replace copper braid in coaxial cables.

Zinc is saved through use of plastic coating material to rust-proof steel masts and brackets. Brackets, etc. are being redesigned to save steel.

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Conservation measures for future are still being planned. Among them:

(1) Redesign of CR tube deflection yoke, which, except for power transformer, is largest component user of copper. "A design using only 50% of the usual amount of copper...appears promising."

(2) This in turn will result in appreciable reduction in amount of copper in power transformer.

(3) "Chassis size and depth can also be reduced in the future."

(4) Nickel oxide in steel alloys has been reduced, with 23% saving already effected and goal of cutting its use another 50%.

Personal Notes: Walter Duncan, ex-sales mgr., WPIX, New York, joins Paul H. Raymer Co. . . . Lew Ruwitch, v.p. & gen. mgr., elected to board of WTVJ, Miami . . . Jack Bard, ex-NBC, joins DuMont Network as sales promotion mgr. . . . Wm. Lauten succeeds Mike Dann as trade news editor of NBC press dept. . . . Robert M. Flanigan promoted to mgr., NBC Chicago spot sales, succeeding late Oliver Morton . . . Edw. G. Smith, ex-General Mills, now mgr. of new program sales, ABC Central Div. . . . Hal Keith, directing *Your Show of Shows*, Bob Hope TV shows, etc., recalled to active Army duty . . . Vera Brennan, promoted to director of TV-radio timebuying for Duane Jones Co., succeeding Reggie Schuebel, resigned . . . Edgar Parsons, ex-WOL, Washington, new TV-radio director of

American Automobile Assn. . . . Earl Kennedy, ex-Young & Rubicam, joins Maxon Inc., New York, in charge of TV-radio production . . . Carol Sleeper, ex-Doherty, Clifford & Schenfield, new timebuyer for N. W. Ayer, New York, succeeding Dirk Watson, recalled to Navy duty . . . H. Lawrence Holcomb, Lennen & Mitchell, new director of TV-radio dept., Tatham-Laird . . . Arnold Olin Leeds resigns as TV director of Moss Associates, New York, his work to be taken over by Joseph Moss . . . Harold J. Bock, NBC Hollywood director of talent relations, has resigned.

Wm. C. Ackerman has been granted leave as CBS Reference Dept. director and Program Dept. secy. to serve in Washington as secy. of President's Materials Policy Commission, headed by CBS chairman Wm. S. Paley (Vol. 7:4).

CARL HAVERLIN, president of Broadcast Music Inc., onetime MBS v.p. and a former Pacific Coast broadcaster, seems to be leading field of prospects for NAB presidency to succeed Judge Justin Miller when latter moves up to chairman and association changes name to National Assn. of Radio & Television Broadcasters. Changes presumably will come after April 15-19 NAB convention in Chicago's Stevens Hotel (Vol. 7:5).

Whether the BMI chief would be favorably disposed to the \$50,000 job, was uncertain at week's end—but his name met with general approval at first informal meeting of 8-man committee empowered to make the selection. During last week's Florida meeting of NAB board, quite a few names were "tossed into the hat," including Harry C. Butcher, ex-CBS Washington v.p., now operating KIST, Santa Barbara; Otto Brandt, ABC station relations director; Charles R. Denny Jr., NBC executive v.p.; Harold

Fellows, WEEI, Boston; Leo Fitzpatrick, WGR, Buffalo; Ed Kobak, ex-MBS president; Paul W. Morency, WTIC, Hartford; Joseph A. McDonald, ABC v.p.; Richard Shafto, WIS, Columbia, S. C.; Eugene Thomas, WOR-TV, New York; Donald Thornburgh, WCAU, Philadelphia.

There was talk of Morency's choice on an interim basis, with Brandt to head up TV Div.; also that Thad H. Brown Jr., Washington attorney, might take legal post with newly revamped association.

Choice of president will be made by this committee: Ben Strouse, WWDC, Washington, secretary; Robert Swezey, WDSU & WDSU-TV, New Orleans; James D. Shouse, Crosley stations; Allen M. Woodall, WDAK, Columbus, Ga.; Harry R. Spence, KXRO, Aberdeen, Wash.; Patt McDonald, WHHM, Memphis; Wm. B. Quarton, WMT, Cedar Rapids; Wm. A. Fay, WHAM & WHAM-TV, Rochester.

Network Accounts: Milton Berle may put his *Texaco Star Theatre* on NBC-TV alternate weeks, starting next fall, reports *Variety*, which recalls Kudner agency president James H. S. Ellis' recent Detroit speech charging networks with pricing TV sponsorships off air by higher rates and increased talent costs (Vol. 7:2-4); Texaco show is reported to cost about \$40,000 weekly, Berle drawing \$11,000 . . . Cluett, Peabody & Co. (Arrow shirts) is readying alternate week sponsorship of *Holiday Hotel*, Thu. 9-9:30 on ABC-TV, thru Young & Rubicam; will alternate with Packard, which now has show alone, same agency . . . March 25 is starting date of General Mills' alternate week sponsorship of 6:30-7 portion of *Ted Mack Family Hour*, Sun. 6-7 on ABC-TV, thru Tatham-Laird, Chicago; C. A. Swanson & Sons (poultry & margarine products), same agency, is alternate sponsor . . . Feb. 24 is starting date for new Lehn & Fink (Lysol, Etiquet deodorant, Hinds Honey & Almond Cream) sponsorship of 8-8:15 portion of *Jack Carter Show* Sat. 8-9 on NBC-TV, thru Lennen & Mitchell and McCann-Erickson . . . Hollywood Candy Co. (Milk Shake candy bar) has cancelled plans for children's show on CBS-TV, to have started Jan. 27, Sat. 11:30-noon, thru Ruthrauff & Ryan, Chicago (Vol. 7:3).

Station Accounts: Seeking engineers, designers, draftsmen, etc., Victor Chemical Works, Chicago, bought spots adjacent to weather reports, sports, newsreels, etc., evenings on WNBQ & WGN-TV for 2 weeks, got 270 applicants—much more than newspaper classifieds and radio spots produced. In fairness, though, it must be stated that TV announcements were spotlighted in 3-line ads in Chicago newspapers, and radio shots were daytime only. Gimmick: Applicant was instructed to phone certain number, where recording service took down job interview—a speedup method that gratified sponsor to point he says he will continue using TV in soliciting manpower . . . WTVJ, Miami, claims it has more different local advertisers booked than probably any other TV station—181 in one recent week . . . Series of 26 documentaries, all filmed by station's own staff and titled *This Is Baltimore*, depicts city's outstanding institutions and industries and are sponsored on WMAR-TV by Savings Bank of Baltimore, Mon. 7:15-8, thru Mahool Adv. Agency . . . To promote new film *Kim*, opening in 31 Loew's movie houses in New York area Feb. 21, Loew's Inc. plans "saturation" drive on WPIX that day, using every spot and participation availability, placed thru Donahue & Coe . . . Progresso Brand Quality Foods Feb. 18 starts 13-week series of *Opera Cameos*, with David Ross as commentator for operatic guest stars, on WPIX, Sun. 6-6:30, thru Carlo Vinti Adv. . . Dow-Corning Corp. (Sight Savers eyeglass wipers) is new spot account on WCBS-TV, New York, thru Don Wagnitz Adv., Midland, Mich. . . New idea in quiz shows is *Special Delivery* on KFI-TV, Los Angeles, sponsored by 6 Sanitone Cleaners, Mon. 7:30-8, with 6-person panel each week competing, half sponsors, other half women customers of the cleaning establishments . . . C. Schmidt & Sons (Schmidt's Beer & Tiger Head Ale) Feb. 13 started *Public Prosecutor*, filmed detective dramas, Tue. 7:30-8, on WFIL-TV, Philadelphia . . . Consider H. Willett Inc., Louisville, (furniture manufacturer) sponsoring *NBC News Review of the Week* on WTMJ-TV, Milwaukee, Mon. 4:15, thru Griswold-Eshleman Co., Cleveland . . . Among other advertisers currently reported using or preparing to use TV: Wesson Oil & Snowdrift Co. Inc. (Snowdrift shortening), thru Kenyon & Eckhardt, N. Y., and Fitzgerald Adv. Agency, New Orleans; Silex Co. (Silex coffee makers, steam irons), thru Alley & Richards Inc., N. Y.; B. Manischewitz Co. of New York Inc. (frozen kosher chicken), thru A. B. Laudau Inc., N. Y.; Terre Haute Brewing Co. Inc. (Champagne Velvet Beer & 76 Ale), thru Biow Co., N. Y.; Florida Fashions

Inc., Sanford, Fla. (cotton dress mail order house), thru Jack Danowitz Adv. Inc., N. Y.; J. G. Van Holten & Son Inc. (pickles), thru Jim Baker Associates, Milwaukee; Dolcin Corp. (proprietary), thru Victor Van der Linde Co., N. Y.; O-Cedar Corp. (Dri-Glo silicone furniture polish), thru Young & Rubicam, Chicago; American Home Foods Inc. (Duff's cake mix), thru Ted Bates & Co., N. Y.; Hambro Trading Co. of America Inc. (Queen of Scots Kippers), thru Victor A. Bennett Co., N. Y.

Policy of 2% cash discount on national advertising has been adopted by 3 TV networks, all 4 radio networks, but is slow to take hold among individual TV and AM stations, reports American Assn. of Advertising Agencies, which said it regards discount as financial safeguard serving as automatic warning when client passes discount date. AAAA said its members have placed \$15 billion worth of advertising in last 20 years, that media have had credit losses of only \$250,000 in that time, whereas agencies have lost \$5,100,000. But AAAA points out that agency losses amount merely to 1/30 of 1%. Among other media, 2% discount has been adopted by 95% of newspapers, 95% of farm papers, 93% of general magazines, 83% of business publications.

Radio and TV carry less "questionable" advertising than other media, Federal Trade Commission indicated in annual report, issued Feb. 8, covering fiscal year ended June 30, 1950. About 4.5% of newspaper and magazine ads examined were set aside as possibly false and misleading, 2.5% of mail order ads, 2% of TV continuities, 1.9% of radio continuities. FTC examined 759,729 radio scripts, 35,422 TV continuities during fiscal year. FTC chairman James M. Mead has directed Radio & Periodical Advertising Div. to "give particular attention to advertising appeals of doubtful nature which are related to the mobilization effort."

If Phonevision were national, annual income would be \$950,000,000, according to first month report from Zenith's Comdr. McDonald to film producers cooperating in 300-family Chicago test. He based his estimate on 1.8 times per week per family average "attendance" (excluding first week because of novelty effect) related to 10,000,000 TV sets now in use. Under Phonevision plan, half of that would go to producers. McDonald calculated almost \$1,000,000 per picture for producers in his pay-as-you-see plan. Report shows average attendance was 3.1 times per family first week, 1.9 second and third week, 1.7 fourth week. Twenty-eight pictures were screened. FCC this week extended authorization of tests to March 31, so they can run full 90 days. Critics of Phonevision say it cannot be assumed all 10,000,000 TV sets-in-use would be equipped for pay-as-you-see system, point to TOA consultant Nathan Halpern analysis last July which calculated top income of \$940,000 per picture, or top of \$460,000 for producer (Vol. 6:30). Doubters are also eager to see Sindlinger report to Paramount on experiment; he was hired for job (Vol. 7:2).

New and Better TV Map

New Television Map of the United States, revised to Jan. 15, 1951, and considerably improved, has been published by *Television Digest*, and one copy was inserted with our Jan. 15 *TV Factbook No. 12*. It makes an excellent wall-map, or can be used as a working outline. It's 22x26 in., in color, shows locations of and lists all operating TV stations with present and projected network routes. Because of demand for extra copies, we have had more published and they're available at \$1 each. Quantity prices on request.

UPCOMING METALS CURB MAY HIT TV-RADIO: New measures to limit use of critical metals are being prepared by National Production Authority.

Aimed at auto and major appliance makers -- who use lots of steel -- they may be extended also to TV-radio industry.

Control of 3 metals basic to the economy, on industry-by-industry basis, is key to new NPA planning. Past materials limitations have been across-the-board cuts, applicable equally to all civilian users of raw materials. New orders, scheduled to take effect about April 1, will single out specific industries, tell them how much to cut their consumption of steel, aluminum and copper.

Cuts will begin at 25% of "current consumption," progressively increasing to 40%, best sources indicate. NPA says impact will be gradual, "designed to mesh as closely as possible with increasing defense work so as to create a practical minimum of dislocation and unemployment."

Behind change in policy is NPA's dissatisfaction with continued high use of steel by auto and appliance makers -- and also with inequities in present system of over-all cuts in use of strategic metals. Present limitations, which hit suppliers rather than end-product makers, favor bigger manufacturers who can corner new sources of supply at expense of smaller manufacturers or other industries.

Refrigerator, stove, auto industries have been mentioned specifically as targets for new orders. At week's end, NPA hadn't made decision whether to include TV-radio. First order in new series will probably be issued in 2 weeks, giving manufacturers time to make adjustments before April 1 deadline.

Here's example of how orders will probably work: NPA may order refrigerator manufacturers to use 25% less steel in April, 30% less in May, 35% less in June, than they did in January 1951. This would place ceiling on amount of steel available to each manufacturer, but not on number of refrigerators he could turn out.

"Metals census" of electronics industry, now being completed by Electronic Parts Mobilization Committee of RTMA, should aid NPA as well as TV-radio industry in future planning. Committee is compiling list of total amounts of critical metals used by the industry. Metals on list: aluminum, brass, cadmium, cobalt, copper, iron, lead, nickel, steel, tin, zinc.

NPA means business -- and it's good bet that TV-radios built after April 1 will be full-fledged "conservation models," regardless whether the industry is included in new metals limitations. If there aren't substantial cuts in use of scarce metals, NPA's "kid-glove" handling of TV-radio industry may come to end.

NPA TELLS NPA 'NO BAN ON STATIONS': Washington isn't noted as a manufacturing city. But it does turn out 2 products in vast quantities -- confusion and contradiction. Here's a timely example:

Most "commercial construction" was banned for 30 days Jan. 15 by Amendment 3 to National Production Authority Order M-4 (Vol. 7:3). The order also provided that after Feb. 15, none of this same type construction could be commenced without NPA authorization. It immediately touched off disputes as to exactly what construction was affected.

Part of the trade press headlined stories that TV-radio station construction had been banned. Since this was one of the points on which order was obscure, we visited NPA's Construction Div. when order first came out -- and there received these divergent answers from 4 different officials:

- (1) All TV-radio transmitter, studio and office construction is banned.
- (2) Transmitter installations may be built, but not studios or offices.
- (3) Engineering facilities and studios are OK, but not offices.

(4) You can build studios and offices if they're housed in same building as transmitting equipment.

Construction Div. couldn't interpret own order, we concluded, and so went to NPA's legal dept., where we consulted attorneys who drew up the order and are saddled with job of interpreting it. From them we got facts on which we based our Jan. 20 (Vol. 7:3) item captioned: "Stations Exempt From Building Ban."

To clear up confusion among the public -- including its own Construction Div., which is charged with enforcing the order -- NPA Feb. 9 issued Amendment 4 to M-4, specifically stating that TV-radio stations, newspaper and printing plants can be built without NPA authorization. In accompanying statement, NPA explained its policy is "to assure the greatest possible freedom of operation to the nation's facilities for the communication of news and education material."

In black and white, Amendment 4 exempts from construction controls: "Buildings, structures or projects for radio broadcasting or television broadcasting."

Presumably, the Construction Div. knows about it now.

Mobilization Notes: There's no crisis yet in raw film supply for TV, but situation may get worse due to increasing demand of armed forces for X-ray film. DuPont has already notified customers it's cutting all film orders by 25%, with Eastman reportedly holding customers to same amount they used in 1950. TV requirements are expected to increase this year—and that's where the pinch may come in.

Use of film was limited by War Production Board during World War II. NPA officials say no such action is currently planned—but may be necessary if shortage becomes more severe. NPA is querying all users of motion picture film to determine amount used in each field (theatre, advertising, kinescope, etc.). It's estimated TV uses 300,000,000 feet of raw film each year, compared to 2 billion feet used by motion picture industry.

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Resolution requesting priorities for replacement parts (Vol. 7:5) was made public this week by Assn. of Electronic Parts & Equipment Manufacturers (New York) and Sales Managers Club, Eastern Group (New York). It urges NPA to assign, for production and distribution of maintenance, repair and operating supplies, ratings equal to defense priorities. Resolution suggests: (1) distributors who buy priority replacement parts be restricted to 180-day inventory; (2) manufacturers be permitted to use, in replacement parts, up to 150% of materials used for same purpose during first half 1950 base period.

W. Walter (Wally) Watts, RCA Engineering Products v.p. on leave, whose appointment as asst. to Defense Production Administrator Wm. H. Harrison (Vol. 7:1) was officially announced Feb. 8, will be chairman of DPA's Production Executive Committee through which Gen. Harrison will exercise over-all coordination and direction of defense production. Committee will consist of representatives of all govt. agencies participating in defense production program. Edwin T. Gibson, General Foods Corp. v.p., was named DPA Deputy Administrator in charge of staff services.

Idea of using distributors as subcontractors, recently broached by Belmont (Vol. 7:3), gave impetus for National Assn. of Electrical Distributors to circularize members with message that its membership aggregates 75,000,000 sq. ft. of floor space, as well as tens of thousands of skilled workers available for defense production.

Dr. Lloyd F. Berkner, noted radio scientist, is leaving Carnegie Institution to become president of Associated Universities Inc., formed by 9 Eastern universities to administer Brookhaven National Laboratory, at Upton, N. Y., for the Atomic Energy Commission.

NPA's Electronic Products Div., headed by John Daley, continues to expand, with addition of 2 staff members this week: Wm. S. Winter, veteran of old WPB Radio-Radar Div., formerly in wholesale & retail electronics business, including Emerson sales staff, and J. Bernard Joseph, engineer, an ex-Mass. radio wholesaler, ex-RCA & GE, who did industrial mobilization work for Signal Corps during World War II.

Glen Ireland, on leave as v.p. & gen. mgr. of Pacific Telephone & Telegraph Co., this week was appointed Deputy Administrator of National Production Authority by Administrator Manly Fleischmann. Ireland was formerly asst. to NPA Administrator. John C. Pritchard, Denver steel fabricator, Feb. 7 became director of NPA's Office of Small Business. John H. Hollands, of Buffalo, Feb. 8 was named NPA general counsel.

Robert C. Tait, president of Stromberg-Carlson, elected co-chairman, with Western Electric's Fred R. Lack, of Joint Electronics Industry Committee. JEIC was set up by RTMA and National Security Industrial Assn. to coordinate all industry mobilization activities and to serve as advisor to top govt. policy makers. (For membership, see Vol. 6:32, 36.)

Helpful booklet, *Inventory Control & Priorities*, just published by NPA, answers 85 most common questions about Regulations 1 & 2, is available free from Commerce Dept. field offices or from Office of Public Information, National Production Authority, Washington 25, D. C.

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Among unclassified military contracts for electronics and related equipment (more than \$100,000) announced by Commerce Dept. for week ending Feb. 7: Through Signal Corps, Philadelphia—RCA, \$2,000,000, radio sets (18,899 units); Automatic Radio Mfg., \$496,764, auxiliary interphone equipment; Leeds & Northrup Co., Philadelphia, \$250,000, radiosonde recorders (185); Mallory, \$250,000, power supplies (6500); Park Mfg. Co., Grant Park, Ill., \$250,000, power supplies (6500); Barker & Williamson Inc., Upper Darby, Pa., \$180,000, radio sets (30). Through Navy Bureau of Ships, Washington—Stewart-Warner, \$800,000, direction finders (46). Through Air Materiel Command, Dayton—Hammarlund, \$259,505, receivers. Through Navy Electronic Supply Office, Great Lakes, Ill.—Hytron, \$175,000, electron tubes. RCA was awarded contracts totaling \$168,380 for electron tubes through Signal Corps and Navy Electronic Supply Office. In addition, Lewyt Corp. (vacuum cleaners) reportedly has received \$4,500,000 Signal Corps contract for construction of FM ground force radio equipment; company is still working on an initial \$5,000,000 order for same type equipment.

COMPLEX PATTERNS OF THE TV TRADE: Paradox of shrinking factory supplies but continued high production and huge inventories seems to be current pattern of TV trade.

More than 1,000,000 costly units are in trade pipelines, components are getting scarcer as Govt. tightens controls of raw materials, prices hold firm -- and people are still buying. Radios, too, are enjoying boom.

Calling its tax and credit control shots well in advance, Truman Administration turns out to be TV's best salesman. Nobody likes the long-range news, but near-term effect is to move goods -- of that there can be little doubt.

Treasury's proposed hike of excise tax from the 10% imposed last Nov. 1 to 25% was grim reminder that lush days are nearing end, for such tax must inevitably cut down buying. But it's unlikely the new excises will get through Congress and become effective before summer -- so public still has plenty of time to buy and, with piled-up stocks, you can be sure retailers will urge them aplenty.

As for tighter Regulation W, already stringent, word from Federal Reserve is expected any day, for the whole anti-inflation program is designed to discourage buying of durable goods, particularly "luxury" items. They regard TV in that category here in Washington.

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How high can prices go -- and the public still be expected to buy?

Another 15% factory excise would add about 10%, roughly, to retail cost of TV receivers. During 1950, sets went through many rounds of price increases, forced by higher labor and material costs and, after Nov. 1, by the 10% excise tax.

Demand for lower-priced units, while factories insist on loading them with higher priced, led one large distributor to remark: "I don't mind having a Cadillac franchise, but damn it all, I'd like to have a Chevrolet agency on the side, too."

It's possible now to give some idea how much prices went up during 1950, though available figures are factory level only, and we could secure them only for the first 11 months of year. The figures are derived from authoritative sources.

Leaving out of account taxes, average factory price for a TV receiver in January 1950 was \$163.77, and this was progression thenceforth: February \$176.06, March \$174.94, April \$158.80, May \$170.31, June \$165.03, July \$162.77, August \$176.64, September \$190.78, October \$198.47, November \$199.76.

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Railroad stoppage cut heavily into outputs of Philco and Admiral, each of which is reputed to produce 4000 or more receivers per working day. Philco recalled its Philadelphia and Croydon workers for second (4 p.m.) shift Tuesday, resumed full scale next day, so that it lost just about full work week (Vol. 7:5). Admiral plant in Chicago resumed Tuesday, so that it lost 3 full days. Others may have been affected, but didn't say anything.

Philco's Sandusky plant kept going, so that company's over-all TV output was down about 75%. Philco depends heavily on rail shipments, considers freight cars its part-time "warehouses". More trucks solved Admiral's problem.

Those shutdowns and other curtailments probably mean February production figures will slide -- but January's stayed fairly high, totaling 639,176 TVs and 1,235,114 radios, compared with 879,075 TVs, 1,602,055 radios in 5-week December, 752,005 & 1,304,094 in November (for all 1950 monthly figures, see p. 67, TV Fact-book No. 12).

Here's how January's 4 weeks stacked up for TVs: first week 105,699, second 167,859, third 188,758, fourth 176,860. Surprising was continued high output of radios: first week 209,792, second 338,520, third 342,586, fourth 344,216.

Where are the components coming from to keep up this rate? They tell us:

First, large companies enjoying long relationships with prime suppliers are being favored. Secondly, small companies, finding key items hard to get, have begun pulling in their horns, so that more materials are going to others. "The little guys are getting littler," we're told.

But shortages are "getting rougher" on everybody, with speakers right now the most severe, and the pinch being felt in transformers and yokes (using copper) and steel items. By April, real shortages should develop in aluminum and 300-ohm line (copper), and of course the cobalt outlook is very rugged (Vol. 7:5).

Big problem for all manufacturers is unbalanced inventory of supplies. Sets are being held up for lack of one or two components, varying from day to day. But the big fellows insist they have no factory inventories of finished sets, and some are inclined to minimize extent of their wholesaler-retailer inventories.

Example of a smaller TV producer's position is Sparton, which is now producing about third less than peak final quarter 1950, has cut down distribution to major cities (dropped 10 out of 47 field agencies), is emphasizing 26-tube chassis requiring more critical materials and longer time to make. Sparton is getting some defense contracts, expects to have 50% of capacity on war work toward end of year, has reopened 100,000 sq. ft. plant for such production.

Big and little, the manufacturers even have their salesmen out buying up needed components, are still paying list prices or better for certain items. Toughest part of materials problem, we were told by one big components maker, is to get uncontrolled items. All his executives are purchasing agents these days.

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That retail business is good, is generally acknowledged -- with the usual squawks about inadequate markups, big inventories, factories prodding to take more, etc. Reports from San Francisco Western Merchandise Mart indicate high optimism among Pacific Coast retailers. It's too early yet to gauge country-wide effect of news of proposed new excise tax -- but few doubted it would prove hypo.

Wall Street Journal Feb. 7 headed article on appliance sales thus: "Retail Stocks Tower. Supplies Keep Coming as Scare Sales Ebb. Plenty to Buy." Then it related how Macy's advertised \$550 TV for \$329, how big stores around country are "loaded to the gunwales with consumer goods." Expressive quote from Marvin Cossy, of Chicago's Edward B. Dublin & Son:

"TV sets are supposed to be on allocation, but it's a funny thing that manufacturers keep calling up and asking if I want more merchandise."

And a Boston dealer mourns that if slump should occur, "a lot of banks will find themselves in the TV set business."

EXPORT FIELD LIMITED BUT PROMISING: Final figures aren't available yet -- but from authoritative source we learn that U.S. TV-radio manufacturers during 1950 exported some 32,000 complete TV receivers valued at approximately \$6,000,000 (average unit cost at factory: about \$190) plus some 7000 TV units without cabinets valued at about \$1,000,000 (average: nearly \$145).

These tentative figures give idea of smallness as yet of our TV export trade -- 39,000 units being less than one-fourth of one average week's production. The 1950 radio export figure will be fully 400,000 complete sets valued at around \$9,000,000. Cathode ray tube exports in 1950 totaled mere 11,184, receiving tubes only 10,767,831 out of 7,473,614 & 383,960,599 production, respectively (Vol. 7:5).

Whereas our radio exports go all over the world, and American branch or affiliated factories are prime manufacturers or assemblers in many countries, our TVs move almost exclusively to Canada, Cuba, Mexico and Brazil.

Therein lies a great potential for the U.S. industry, provided (a) that it can continue to turn out sets, (b) Mexico and Brazil relax their import restrictions, (c) demand for such high-priced item is stimulated as stations open up.

Emerson last week disclosed order for 1400 TVs from its Rio de Janeiro distributor, having shipped 1000 last December -- with 3000-4000 non-assembled units

also due to be shipped to Brazil by mid-summer if export licenses are obtainable.

That brought to light fact that Brazilian Govt. limited 1950 TV imports to 10,000 sets. Mexico similarly allowed 10,000 TVs in. Cuba is free market, and Havana claims at least 10,000 sets already. Canada has a considerable TV-radio industry of its own, so imports very few complete units from this country.

Efforts to relax import quotas are being pushed, as American firms argue with Mexico and Brazil that they cannot afford to set up complicated production lines in those countries, as they did for simpler and cheaper radios, and sell at prices comparable to the mass-produced U.S. product. Brazil's newly elected President Getulio Vargas is reported favorable to relaxing the quotas, especially as several more TV stations are planned in that country.

Except for England, with a flourishing industry of its own, few other countries have telecast services comparable to those growing up in the western hemisphere. U.S. interests have concentrated so intensely on the ripe domestic market that they've as yet evinced very little interest in exports -- that is, all but about a dozen firms -- notably GE, Philco and RCA, which are reputed to account for at least 75% of the TV export trade to date.

Aside from small size of foreign markets, other reasons why U.S. companies tend to shun them: (1) Different transmission and power standards mean too much engineering bother. (2) Aggressive competition from such outfits as sprawling Dutch Philips Company, to which such markets mean do or die.

Note: For details about the 2 stations presently operating in Havana, the one in Mexico City, 2 in Rio, others planned, see page 29 of our TV Factbook No. 12. Canada has no telecast outlets, gets fair service from some of our border stations.

Topics & Trends of TV Trade: New tax threats and the need for stronger coordination in Washington of TV-radio industry's mobilization efforts are expected to expedite RTMA board action on its reorganization committee's selection of RCA v.p. Glen McDaniel as paid president (Vol. 7:2) when board meets in Chicago's Stevens Hotel next Thursday, Feb. 15. Very little opposition to McDaniel has developed. He's strongly supported by interim president Robert C. Sprague, and won particularly favorable attention by his work on recent excess profits tax bill. Some objections were raised on grounds of his youth (39) and his RCA connection (5 years), but these are believed to have faded.

Uppermost also in minds of RTMA members, as they attend Chicago mid-winter conference Feb. 13-15, will be proposed new excise tax (see p. 1), service problems (Service Committee under Chairman E. W. Merriam meets Feb. 13), and various facets of defense effort. Committees meet Feb. 13 & 14, and at board meeting Feb. 15 reports will be submitted on work of Joint Electronics Industry Committee (Fred Lack and Robert C. Tait, co-chairmen) and Electronics Parts Mobilization Committee (A. D. Plamondon Jr. and R. E. Laux, co-chairmen).

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New Emerson line, announced this week, comprises 23 models, including 6 holdovers from previous line. Only one new set is table, 17-in. mahogany Model 696, at \$299.95. Others are all consoles, all mahogany unless otherwise indicated (prices including excise tax):

16-in.: 684, \$329.95; 685, with doors, \$359.95.

17-in.: 686, \$349.95 (blonde, \$359.95); 687, with doors, \$379.95 (blonde, \$399.95).

19-in.: 688, \$439.95; 689, with doors, \$459.95 (blonde, \$479.95); 690, with full doors, \$479.95 (blonde, \$509.95).

20-in.: 692, \$459.95; 693, with doors, \$479.95 (blonde, \$499.95); 694, full doors, \$499.95 (blonde, \$529.95).

Held over were 662, 14-in. plastic table, \$219.95; 676, 17-in. wood table, \$299.95 (blonde, \$309.95); 680, 17-in. table, better cabinet, \$299.95; 666, 16-in. console, AM-FM-phonograph, \$499.95 (blonde, \$529.95).

Notwithstanding wage freeze, CIO's International Union of Electrical Workers (IUE) launched campaign for 12 to 15½¢ per hour wage increases, plus pensions and other benefits. At Feb. 3-4 meeting of TV-radio union delegates in Erie, Pa., said to represent 75,000 workers, president James B. Carey said TV-radio industry is "low man on the totem pole of the plants which IUE represents." IUE also represents electrical and machinery workers. Carey said industry could grant wage boosts from increased profits without boosting prices, cited also special provisions in excess profits tax for growth companies. IUE also announced it would act in behalf of employers in seeing they got relief when necessary from NPA limitation and allocation orders "so plants can continue full production until receipt of defense orders."

Corning Glass Works proudly announced plans for 100,000 sq. ft. Glass Center, in Corning, N. Y., to be opened this summer in connection with celebration of company's 100th year. Center will include a Steuben glass factory, research facilities, library, museum, spectators' galleries. Corning claims library and museum will be most extensive in world. It will be open to scientists, students, historians, artists, etc. Handling public relations is Steuben ad-manager E. P. H. (Jimmy) James, former Mutual v.p.

New service plan, with warranty on picture tube only, is being sold by Television Engineers Inc., 1539 W. Harrison St., Chicago. Customers pay \$7.95 to \$12.95, depending on tube size, are protected for year against large replacement costs of picture tubes.

Sheldon Electric Co., division of Allied Electric Products Inc., Irvington, N. J., is latest to announce development of electrostatically-focused picture tube, which saves copper and cobalt (Vol. 7:1, 3-5).

Canadian manufacturers during 1950 sold 37,823 TVs valued at factory at \$16,276,583, and 731,345 radios valued at \$57,320,400, reports RMA of Canada. During 1949, they sold 729,970 radios.

Bendix Radio Div. has appointed Radio Engineering Products Ltd., Montreal, as Canadian distributor.

Plant expansions: GE plans to build \$200,000 warehouse at its Buffalo TV tube plant, 55,000 sq. ft. structure to be started in fall . . . GE also announces construction has begun on new 4-story addition, 117,000 sq. ft., costing \$2,000,000, to its Owensboro (Ky.) tube works for manufacture of miniature, subminiature and metal receiving tubes; should be ready for occupancy by July 15 . . . Hallcrafters leasing new 100,000 sq. ft. plant about 3 mi. from present Chicago factory, to be used for military production . . . P. R. Mallory & Co. new plant scheduled for completion July 1 . . . Cornell-Dubilier has leased 81,000 sq. ft. warehouse at Fuquay Springs, N. C., 18 mi. southeast of Raleigh, and in about 60 days expects to have it ready for manufacturing vibrator-type power supplies.

RTMA statisticians have revised upward their 1950 TV-radio set production estimates, placing total TVs at 7,463,800, radios at 14,589,900. Previous accumulated monthly figures came to 7,408,690 TVs, 14,554,972 radios (Vol. 7:2). Breakdown of 1950 radios is now given as 8,174,600 home units, 4,740,600 auto, \$1,674,700 portable.

New publications firm, preparing technical material for electronics companies seeking govt. or other business, is Manual Publishers Inc., 96 Elm St., Buffalo. Company is associated with distributor W. Bergman Co., offers "complete service for the preparation, editing and production of technical literature."

The color inventors still appear—FCC receiving letters from two recently. Cage Projects Inc., 393 Grove St., Upper Montclair, N. J., onetime producer of custom TV receiver installations, told Commission it had acquired pending patents on color camera and receiving tubes, wanted to know whether FCC approval of them is necessary. Commission said it couldn't tell from description. Meguer V. Kalfaian, 962 Hyperion Ave., Los Angeles, filed long, complex description of 12-mc color system involving multiplex, said it is compatible. FCC answered by calling his attention to portion of color decision which outlines how new systems will be considered.

Uhf and color, covered by experts, will be featured in April 14 conference of Cincinnati IRE section: Uhf—NBC's Raymond Guy on Bridgeport experience; Philco's R. G. Clapp on reception; Measurement Corp.'s Jerry B. Minter on uhf megacycle meter. Color—Crosley's Harold L. Brouse on colorimetrics; GE's R. B. Dome on "Methods of Adding Color to TV Images"; Hazeltine's A. V. Loughren on "Some Fundamental Considerations on Color TV."

More Feb. 1 sets-in-use reported since NBC Research's "census" of Jan. 1 (Vol. 7:3): St. Louis, 254,000, up 15,000; Washington, 233,910, up 13,910; Memphis, 75,117, up 5017; Omaha, 62,904, up 7104; Norfolk, 56,783, up 6283; Utica, 36,000, up 3000; Kansas City, 100,600, up 7400.

Trade Personals: S. M. Finalyson, gen. mgr., Canadian Marconi, succeeds A. H. Ginman, retired, as president . . . Glen L. Logan, ex-executive asst. to sales v.p. of Packard Motor Car Co., named managing director of Electric League of Los Angeles, succeeding Wm. J. Quinn, retired . . . Dr. R. M. Bowie, ex-mgr. of Sylvania physics labs, appointed to staff of Sylvania engineering v.p. E. F. Carter . . . Henry Esterly promoted to Magnavox district sales mgr., New York City, with John Hogan succeeding him as state mgr. out of Syracuse . . . Walter S. Lefebvre appointed Sylvania Buffalo-Cleveland-Detroit district sales mgr. . . Harold J. Schulman appointed service director of DuMont teleset service control dept. . . Newly elected GE executive vice presidents are Roy W. Johnson, in charge of appliance and electronics group; Henry V. Erban, apparatus group; Hardage L. Andrews, industrial products and lamp group.

Financial & Trade Notes: New Federal income and excess profits taxes pushed CBS net earnings down from \$4,184,100 (\$2.44 per share) in 1949 to \$4,105,300 (\$2.39) in 1950, according to report to stockholders Feb. 7. The 1950 Federal and excess profits taxes amounted to \$5,450,000, as against \$3,450,000 income tax only in 1949. In 1948, net earnings were \$5,041,700 (\$2.94); 1947, \$5,920,100 (\$3.45); 1946, \$5,795,900 (\$3.37); 1945, \$5,346,200 (\$3.11). Complete financial report for fiscal year ended Dec. 30, 1950 will be distributed on or before April 1.

Among officers' and directors' stock transactions reported by SEC for December: Cy S. Rossate bought 200 Admiral, holds 1400; Charles M. Thorp Jr. gave 200 Blaw-Knox as gift, holds 1800; Isaac D. Levy gave 280 CBS (Class B common) to charities, holds 20,475; Allen B. DuMont received 2000 DuMont Laboratories as gift, holds 56,500; John S. Timmons sold 3000 Philco, holds 17,000; Leslie G. Woods gave 300 Philco as gift, holds 10,305; William B. Yoder bought 100 Philco, holds 1124; Robert A. Seidel sold 100 RCA, holds 500; Carl J. Gilbert bought 200 Raytheon, holds 200; Charles J. Kayko bought 500 Sparks-Withington (Nov. & Dec.), holds 800.

Magnavox reports highest 6-mo. sales and earnings in its history for period ended Dec. 31, first half of its fiscal year—\$25,788,921 net sales, \$1,814,500 estimated net earnings after all taxes, equivalent to \$2.53 per share on 706,974 common shares outstanding. Sales for corresponding 1949 period were \$13,776,892, profit \$775,700 (\$1.17). Net sales for Dec. 31 quarter were \$15,575,083, estimated net earnings \$1,033,878 vs. \$9,451,994 sales and \$727,016 profit for same 1949 quarter.

Emerson's sales and earnings before taxes for quarter ended Jan. 31 were about 50% higher than same period in 1949-50, president Ben Abrams told annual stockholders meeting Feb. 7. No figures were given. Mr. Abrams said current production is 15-20% ahead of a year ago, but less than fourth quarter 1950. He predicted sales this fiscal year will equal last year's \$74,188,297 (Vol. 7:2), but said "we'll have to go some" to achieve 1950's earnings of \$6,514,716.

General Instrument Corp. is offering 121,715 shares of common stock at 9½ to common stockholders, on basis of one additional share for every 4 shares held. Each holder is also entitled to subscribe at same price for any additional shares remaining after Feb. 21. Proceeds will be used primarily to reimburse company for recent acquisition of additional plant facilities and equipment. Offer is underwritten by group headed by Hirsch & Co., which will buy any shares not subscribed for by common stockholders.

John Meck Industries Inc., for fiscal year ended Nov. 30, 1950, reports sales of \$12,749,552, net profit of \$343,455, or 62¢ per share, compared with sales of \$4,316,857, profit of \$80,960 for comparable 1949 period. Scott Radio, wholly owned subsidiary acquired last year, for 6 months ended Nov. 30 showed sales of \$1,563,128, net profit of \$155,065 vs. \$213,739 sales and \$87,663 loss for same 1949 period.

Hytron Radio & Electronics, owner of Air King, Feb. 8 reported 1950 earnings of \$3,500,000, equal to \$1.75 on 2,004,892 common shares—more than fivefold increase over 1949 profits of \$565,170 (89¢ on 631,211 shares). Sales in 1950 totaled \$41,500,000 vs. \$16,226,000 in 1949.

Television-Electronics Fund Inc., in declaring dividend of 15¢ payable Feb. 28 to holders of record Feb. 16, states net assets as of Jan. 31 were \$6,125,746 (\$12.74 per share) compared with \$5,560,023 (\$12.01) as of Oct. 31, 1950 and \$4,000,726 (\$10.98) as of Jan. 31, 1950.

National Assn. of Music Merchants 1951 trade show has been scheduled for July 16-19 in Palmer House, Chicago.

Telecasting Notes: Crosley stations WLWT Cincinnati, WLWC Columbus, WLWD Dayton conducting 2-week promotional campaign to Feb. 18, at cost of \$90,000, to sell 100,000 to 150,000 TV sets before possible defense-induced production shutdown or curtailment. Idea is not only to help dealers unload some 70,000 sets in warehouses but also to build up audience. Free TV shows are being staged in each city, with distributors-dealers handing out tickets and holding displays in local auditoriums . . . Early-morning viewers of Los Angeles KTLA & KTTV saw flash of fifth atomic explosion from Nevada Feb. 6, shot by cameras atop 5710-ft. Mt. Wilson—the glare visible from 300-mi. away despite local mist . . . ABC's KECA-TV, Los Angeles, Feb. 3 added 2 hours daily to its program schedule, 11 a.m. to 1 p.m. . . . U of Utah extension div. has arranged with KSL-TV, Salt Lake City, to telecast *The World U Live In*, credit course, every Thu. at 8:30 p.m. . . . Philco is relinquishing its *Philco Playhouse* time to United States Shoe Corp. (Red Cross shoes) on NBC-TV for *An Evening with Richard Rogers*, Sun., March 4, 9-10 p.m., during program will donate 25 large-screen TV sets to 18 Army hospitals designated by Secretary of the Army . . . DuMont has signed affiliation contract with Union Radio, Havana . . . Canadian Assn. of Broadcasters meets in Québec, Feb. 26-March 1 . . . "No pictures" is theme of promotion by AM station WSTC, Stamford, Conn., which offers "wonderful words and music" instead . . . Kagan Corp., which bought merchandising rights to *Howdy Doody* (Vol. 7:1), has obtained similar rights to Gene Autry and Willie the Penguin merchandise . . . Because of alleged lottery implications, WICU, Erie, and WBEN-TV, Buffalo, have discontinued taking Admiral-Old Gold *Stop the Music* show from ABC-TV, Thu. 8-9 . . . Six Milwaukee colleges and universities have joined to present *Education on Parade* on WTMJ-TV, Sat. 1:30-2, each taking turn in covering different college subject . . . Exclusive theatre-TV showing of basketball game between Siena College and Georgetown U in Washington has been arranged for Fabian's Palace Theatre, Albany, Feb. 20. Game will be picked up by WNBW cameramen, relayed 350 mi. via AT&T facilities.

New Feb. 15 rate raises: WNBT, New York, base hourly rate up from \$2500 to \$3250, one-minute rate from \$500 to \$675; WNBQ, Chicago, from \$1000 to \$1300 & \$200 to \$260; WNBK, Cleveland, \$525 to \$750 & \$120 to \$150 . . . WNAC-TV, Boston, Feb. 1 raised base hourly rate from \$750 to \$1000, 1-min. from \$150 to \$200 . . . WENR-TV, Chicago, March 1 goes from \$1000 to \$1300 & \$200 to \$250.

Three applications for new TV stations filed with FCC this week: KSCJ, owned by *Sioux City* (Ia.) *Journal-Tribune*, applied for Channel 5, first applicant from that city. WMSC, Columbia, S. C., applied for Channel 10, second from city, other by WIS being for No. 7. WROV, Roanoke, Va., applied for Channel 5, first from city. [For further details about these applicants, see *TV Addenda 12-E* herewith.] John L. Booth, owner of WJLB, Detroit, in letter to Commission, signified intention of applying for Detroit at end of freeze, but urged against intermixture of vhf-uhf in same city; he's already applicant for TV in Saginaw and Flint (see *TV Factbook No. 12*.)

San Diego's KFMB & KFMB-TV are being sold by Jack Gross to John A. Kennedy interests (Vol. 6:46) for total of \$925,879 plus other considerations, according to transfer application filed with FCC this week. On FCC approval of deal, Kennedy would pay \$200,000, week later \$350,000, within 18 months of closing date \$50,000, 6 months thereafter \$50,000—plus quarterly payments of \$25,000, plus interest, until paid in full.

Columnist Drew Pearson started new chain of rumor and conjecture regarding FCC Chairman Wayne Coy, now on vacation until March 6, when he predicted Coy's shift to an as-yet-unplanned job of "coordinator of defense communications." Gossip was compounded into rumor of appointment of Comr. Frieda Henneck as chairman. But careful check, including White House sources, indicate no such appointments either broached or being considered. Miss Henneck laughs off rumor by saying it's idle to think chairmanship would ever go to a woman. Pearson report probably was deduction from stories that President's special Communications Policy Board, under chairmanship of ex-FCC Comr. Irvin Stewart, now president of U of Virginia, will recommend permanent board above FCC sitting on high policy respecting nation's wire and wireless facilities (Vol. 7:2). Stewart group's report is scheduled to be submitted Feb. 17.

Senate passed McFarland bill (S. 658) Feb. 5, but House apparently isn't in any hurry to move it. Despite Sen. McFarland's statement that FCC Chairman Coy is anxious to have bill passed, Rep. Crosser (D-O.), chairman of House Interstate & Foreign Commerce Committee, says he understands Commission still has plenty of objections to it. He also says he can't visualize bill going through House without hearing "since we have a lot of new members on our committee who would want to learn all about it." As passed by Senate, bill has 4 minor amendments offered by Sen. Francis Case (R-S. D.), who also gave this warning: "A body of law seems to have been growing up with reference to specific programs, rather than the overall program content of a given station. If this practice should continue . . . the Commission will have specifically approved or disapproved various specific types of programs notwithstanding the provision of the act, that 'No regulation or condition shall be promulgated or fixed by the Commission which shall interfere with the right of free speech by means of radio communication.'"

FCC's color decision is a "classic case for judicial non-intervention," Commission (plus Justice Dept. and CBS) told Supreme Court Feb. 5 when it asked court to affirm lower court's decision in FCC favor (Vol. 6:51). "It is elementary that in such circumstances, the Court will not substitute its judgment for that of an administrative agency," Commission said. To RCA's contention FCC failed to reopen hearing for its post-hearing progress report and Condon Report, FCC answered: "This may well have been because neither report contained anything which would have warranted such action." RCA and intervenors have 20 days to respond to this. Supreme Court action isn't expected before March 5.

Hearing on electromagnetic radiation bill (Vol. 7:2, 4) was set for Feb. 21 by Senate Interstate & Foreign Commerce Committee. Asking to appear, so far, are FCC, Air Force, NAB, RTMA, a few stations. Stations are fearful of too much military control, though they've received assurances from FCC Chairman Coy and Air Force communications chief Maj. Gen. F. L. Ankenbrandt.

Three more illegal TV stations, with miniscule powers (10 watts or so), have been found and closed down by FCC—none of them stature of Sylvania, which was fined \$2500 for operating unlicensed outlet in Emporium, Pa. (Vol. 7:5). One was in Williamsport, Pa., other 2 in Texas, towns undisclosed, but said to be within rebroadcast range of commercial stations.

First annual volume of best scripts written especially for TV—*Best TV Plays of the Year*, edited by NBC-TV casting director Wm. I. Kaufman—will be published Feb. 15. Book also includes articles on acting and production by experts in the field.

In This Issue:

Conservation: TV Leads the Way, pages 1-3.
Color Simmers In Courts & Labs, page 3.
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RTMA Command Mobilizes for Crisis, page 8.
Govt. Concern for Small Business, page 9.
No Tax-Buying Spurt, Trade 'Normal', page 9.
Topics & Trends, Mobilization, Financial, pp. 10-11.

I—CONSERVATION: TV LEADS THE WAY: Spark of hope for continued high TV production glows brightly -- thanks to ingenious materials-saving efforts.

RCA fanned it strongly last week when it released to entire industry the fruit of its critical materials conservation program (Vol. 7:6).

Philco applied a bellows this week when it demonstrated its finished product -- the "performance-conservation" set (Vol. 7:1-4,6) -- to govt. officials and news-men, offered circuit diagrams and technical data to all comers.

Same or similar conservation techniques, it was noted, apply as well to radios, phonographs, tubes, installation materials.

Significance of events of last 2 weeks, obviously, is not who got there "fustest with the mostest," but fact that the tremendous know-how and multi-million dollar research facilities of electronics industry -- as exemplified by the leadership of 2 giants -- will be combined, and shared, for the sake of keeping plants humming until such time as military orders are industry's main business.

Entire conservation issue was summed up by Philco engineering-research v.p. Leslie J. Woods, when he said question is one "of survival of this industry...to keep our plants going and personnel together until we get enough defense orders."

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Other industries might do well, govt. mobilizers were heard to observe, to heed progress of TV-radio industry in its self-started campaign to save substantial quantities of critical materials without degrading quality of product.

John Daley, chief of NPA Electronic Products Div., among those attending demonstration, told us he was "very much impressed with the savings effected" in the Philco set. He said he was especially pleased with Philco's -- and RCA's -- "willingness to make their developments available to the entire industry."

Marvin Hobbs, director of Munitions Board Electronics Div., called Philco's achievements an "initial step in the right direction, which certainly is well warranted." He pointed out that military orders won't get into mass-production stage until late 1951 or early 1952 and further efforts -- especially in cutting down amount of scarce materials in electron tubes -- will be necessary.

II—CONSERVATION: PHILCO DEMONSTRATES: Philco's new TV receiver -- completely re-designed -- is an improved set, Mr. Woods told govt. brass and the press at separate showings in Washington's Hotel Statler, Feb. 14-15. The demonstrations certainly appeared to bear this out.

Two-year engineering program is climaxed in Philco's "new concept of design," Mr. Woods said, emphasizing that "most of the set is the result of direct planning prior to Korea and is in no respect a hurry-up, makeshift job."

New circuits eliminate use of cobalt entirely, reduce amount of aluminum by 68%, silicon steel (power and low frequency transformer cores) by 58%, ferrite (high frequency transformer cores) by 51%, copper by 26%, nickel by 15%.

Production of new set is scheduled to begin latter April in 17 & 20-inch

models, with all savings of material due to be in effect by end of June. Some of the conservation measures are already being realized in current production.

Cost of new set will probably be "approximately the same" as comparable current models, according to Mr. Woods. It's known that electrostatically-focused picture tube (Vol. 7:1,3-6), heart of the set, costs more to produce than current magnetically-focused tube because focusing components must be built into tube. Manpower requirements are about same.

"This is it" -- so far as Philco is concerned. For the present, at least, Philco has reached "irreducible minimum" in conservation progress, Mr. Woods said. "The big job has been done," he said. "Any further steps will be minor."

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New receiver is built around 3 major developments:

(1) New deflection circuits, using lower voltage and employing new Philco 6V3 damper tube, saving copper and ferrite by eliminating width and linearity coils.

(2) New power supply, employing 2 selenium rectifiers in voltage doubler circuit, eliminating power transformer with big saving in steel and copper (Vol. 7:3). Plate voltage has been cut from 320 to 250 volts. (Motorola, Emerson and others used transformerless voltage doubler power supplies several years ago.)

(3) Electrostatically-focused picture tube, eliminating need for cobalt or copper magnet in focus circuit.

Weight of set has been cut more than 12 lbs. -- from present 39 lbs. 10 oz. to 27 lbs. 8 oz. for new type chassis and picture tube assembly.

Built-in antenna is retained -- obviating fear this might be early casualty of any conservation program -- because sometimes it's the only antenna needed.

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There was nothing "austere" about looks or performance of new set at the Washington demonstrations.

Two 17-inch table models, one of the new type and one from current Philco production, were placed side-by-side, connected to same antenna at Statler Hotel in midtown Washington. From front of cabinet, they appeared identical.

On local reception (test pattern) there was no noticeable difference between performance of the 2 sets.

In simulated "fringe area" test -- reception of Baltimore station some 30 miles away -- contrast was somewhat better on new "performance-conservation" set.

Then line voltage was dropped to 90 volts, without readjustment of focus control. Picture on conventional set became fuzzy. Picture on the new type set remained in sharp focus. Mr. Woods called this the result of "self-compensating" nature of electrostatic focusing -- an advantage where line voltage fluctuates.

Field tests have proved Philco's new circuits "superior to existing designs under the most severe conditions," according to president Wm. Balderston -- reporting on "fringe area" tests conducted in Morrisville, Pa., across river from Trenton, N.J., where marginal signals are receivable on 10 channels and electrical interference from nearby industries is strong. He said:

"The new Philco chassis produces clear, sharp pictures and consistently outperforms all other TV receivers tested in this area of difficult reception."

III--CONSERVATION: HOW THEY DID IT: Many of the conservation steps taken by Philco are similar to those outlined by RCA in its Feb. 9 report on "Conservation of Critical Materials." Examples: shorter copper leads on tubular and mica capacitors; hookup wire size reduced from 22 to 24 gauge; aluminum cup on rear of picture tube replaced with fibre; brass reduced in control bushings; brass hardware and screws replaced by steel; electrostatic focusing; Alnico III (no cobalt) replacing Alnico V beam bender on CR tube.

Complete elimination of cobalt from set is accomplished through use of: (1) electrostatically-focused picture tube, and (2) electromagnetic speaker.

Most manufacturers have shied away from electromagnetic speaker as substitute for permanent magnet (24% cobalt) type. They have preferred to reduce size of

the magnets, cutting them by as much as two-thirds. This is principally because: (a) electromagnetic speaker requires circuit redesign, and (b) many speaker makers can't get copper, and some of them lack coil-winding equipment (Vol. 6:52).

But Philco says that, because it has eliminated power transformer, it can easily borrow the half-pound of copper required for speaker field and still realize vast copper saving -- at the same time emancipating itself from the cobalt blues.

Philco originally intended to use permanent magnet speaker in its new set, changed its mind as recently as a month ago. This is borne out by fact that early in January president Balderston told Chicago distributors convention new receiver would use 85% less cobalt than present models.

In view of ever-tightening cobalt restrictions (Vol. 6:52, 7:5), it's probable industry will reluctantly switch to electromagnetic speakers. A National Production Authority official told us it's a wise idea to end all dependence on cobalt because -- as he put it -- "cobalt is out of the picture."

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Highlights of material savings in new Philco chassis:

Aluminum, 0.563 lb. saved per receiver: Picture tube frame assembly straps replaced with fabric; amount of aluminum foil in electrolytic capacitors reduced by use of low-voltage power supply; one electrolytic eliminated by use of new CR tube.

Copper, 1.236 lb. saved: Power transformer removed, replaced with smaller filament transformer; wire in audio output transformer decreased "with special compensation to maintain sound quality;" width and linearity coils removed through use of new deflection circuit; horizontal output transformer coil reduced; ribbon-type ground and mounting straps replaced with wire.

Cadmium: "Non-strategic materials" used for plating wherever possible.

Ferrite, 0.529 lb.: Horizontal output transformer core reduced; deflection yoke core replaced with "non-critical" flake iron; width and linearity control cores removed -- new set using resistor type width control, no linearity control.

Silicon steel, 7.399 lbs.: Power transformer core reduced through use of voltage doubler power supply; output transformer core reduced.

Thus, on basis of 1950 production of 7,463,800 TVs (Vol. 7:6), if this type of conservation program had been used by the entire industry last year, these approximate savings would have been realized: copper, 4600 tons; silicon steel, 27,600 tons; cobalt, 440 tons; nickel, 224 tons; ferrite (20% nickel oxide), 2950 tons; aluminum, 2100 tons.

New-model phonograph, also announced by Philco, will result in these savings of scarce metals: Aluminum, 100% or 100,000 lbs. per 200,000 record changers; brass, 100% or 74,400 lbs. per 200,000 units; phosphor bronze, 100% or 600 lbs.; stainless steel, 50% or 9700 lbs.; zinc, 83.5% or 200,000 lbs.

COLOR SIMMERS IN COURTS & LABS: Color issue is quiescent -- except for little geysers of speeches and publicity which seem to have negligible impact on trade or public.

But it would be wise to gear for another big eruption sooner or later -- because there seems to be a veritable obsession, among a very powerful FCC clique, to put across the field-sequential system (CBS).

This despite war, the daily-more-obvious superiority of dot-sequential system (RCA, et al), and the total rejection of Commission decision by very nearly the entire electronics industry.

Much depends on Supreme Court and timing of its action. Aside from fact that every black-and-white set built is another hurdle for any incompatible system, more time gives chance for industry to wrap up compatible system into a package so impressive that FCC must inevitably institute new color hearings.

There's talk, even now, that Comr. Jones, probably Hyde, are willing to consider "dual standards" being plugged by RCA, despite Chairman Coy's flat rejection of idea (Vol. 7:3). Jones, you'll remember, was ardent multiple standards advocate early in hearing, when he thought that was only way CBS might be shoe-horned in.

But if Supreme Court rules in FCC favor, by March 5 or 12, you can expect

Commission to cut loose with every promotional means it commands. CBS will feel obliged to plump with all its might. And some manufacturers or advertisers, envisaging a fast buck or some publicity, may stir up some fuss -- though all the big set makers, now more concerned than ever with materials shortages and defense demands, are more adamant than ever against any incompatible system.

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Supreme Court's action and timing, as it affects implementation of FCC decision, is by no means predictable. Govt. lawyers are betting even money on whether it will simply affirm lower court or grant RCA & intervenors oral argument.

If argument is granted (only ½ to 1 hour per side, normally), it would probably be heard in latter April, with final decision near end of Court session -- late May or early June. Also, there's no way of knowing whether Court will lift ban on commercialization of CBS color (imposed by lower court until April 1) if case is still pending after that date.

Further, certain obviously partial govt. lawyers say decision of 3-judge court (Vol. 6:51) is so bad that Supreme Court may want to issue "spanking," remanding case back to lower court and saying, in effect: "What do you mean by sloughing this case off on us? It's your job to give a final decision." If that happens, final action may be shoved into nebulous future -- perhaps far into fall or winter.

What worries CBS proponents is not ultimate Court decision but delay. They have little doubt Court will affirm FCC's legal authority to make such decisions -- be they good or bad -- as did the Chicago court.

Midst of all these legalities, RCA and/or others may request and possibly get new hearing on recently-demonstrated improvements (Vol. 6:49-50) and still others as yet unrevealed. This would throw all time-element guessing out of whack.

Speculation about investigation by Senate Small Business Committee (Vol. 7:3) is dismissed by Chairman Sparkman (D-Ala.) who says: "We don't plan any intensive study -- hearings and the like -- but I have directed the staff to watch it. We don't have sufficient staff to go into it and we have lots of more pressing matters to cover."

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In addition to RCA, at least Hazeltine, Philco, DuMont and GE are doing intensive work on dot-sequential systems. We understand that Philco, particularly, has something hot and secret up its technical sleeve -- possibly new tri-color receiving or camera tube. NTSC's Ad Hoc color committee (Vol. 7:1) expects to complete "synthesis" of best in color systems by spring.

Finest "educational job" on color today is being accomplished by Hazeltine -- notably by its respected research v.p. Arthur V. Loughren. In a series of addresses to technical groups around country, he's talking kind of language FCC cannot ignore and still claim devotion to public interest. And it's the kind of language that Congressional committees generally don't ignore.

Loughren doesn't even mention compatibility, or use the terms "mechanical," or "small screen," etc. He sees no need for discoursing on those factors, though he doesn't minimize their importance. His theme:

Best color system, putting most information in narrowest possible band, making most efficient use of limited natural resource -- the radio spectrum -- is one that employs mixed highs, dot-interlace (or related method), constant-luminance, plus certain other techniques.

Apparatus difficulties, such as RCA's early 3-tube receivers, can't be ignored, Loughren readily admits. But he insists that apparatus problems always drop away -- as indeed they have -- if system is basically sound. "System capabilities, not apparatus, should provide the ceiling on performance," he maintains. He chides FCC, but not too roughly, for not looking beyond apparatus to the system, admits its job wasn't envious.

Loughren's latest talk, before Washington IRE Feb. 12, was heard by some 300-400 keenly interested technicians, including FCC's Comr. Sterling, chief TV engineer Cyril Braum, asst. lab chief Willmar Roberts.

Course in color, for licensees, starts March 5 at Hazeltine. About 60 licensees have already signed up for 2-week, 20-session series.

Industry has good reason to regret Hazeltine didn't appear during color hearing. But if and when FCC goes into hearings again, it would seem to be better part of strategy to have Loughren on tap.

Pure science isn't Hazeltine's only motive in its efforts -- and no one pretends that it is -- since company has claim to important patents involved. It is cross-licensed, though competitive, with RCA, et al -- and, presumably, that will "taint" Hazeltine in some Commission eyes.

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Meanwhile, CBS is still trying -- in speeches and well-publicized demonstrations. President Frank Stanton this week told San Francisco Electric Club that movies are shifting heavily to color, that "costs in TV will be so tremendous in the future that advertisers may not be as attracted to TV without color." CBS also showed color this week to Lehigh Valley IRE section in Reading, Pa.

CBS's suit against DuMont, alleging patent infringement in industrial color equipment (Vol. 7:4), was answered by DuMont. Latter refuted everything, said all CBS wants to do is to gain publicity, injure DuMont, discredit ex-CBS engineer G. R. Tingley, now with DuMont.

Another tri-color tube popped into news this week, when Dr. Irving Rehman, U of Southern California X-ray expert and anatomist, was reported by AP as having developed one with cooperation of Singer TV Mfg. Co., Los Angeles. Firm, so far as we know, doesn't make TV receivers. Dispatch says tube has color phosphor disc rotating inside tube, that picture is projected, that it's best for CBS system but can also be adapted for RCA's.

MORE MOVIEGOING DESPITE TV THREAT: TV gets much of the blame for declining movie attendance -- but gloom among moviemen is giving way to new feeling of optimism already reflected in upsurge in film company shares on the exchanges.

That's because boxoffice, in recent weeks, has begun to creep up from disturbing lows of last few years.

Not only that: Moviemen see TV held down for quite some time -- due to receiver production cutbacks forced by defense mobilization, FCC freeze keeping new stations off air for several more years at least (Vol. 7:5), continuance of color imbroglio, possible snafus over vhf-uhf allocations, etc. All these in addition to claim that "novelty of TV is wearing off."

The TV spectre has been halted -- or is about to be -- in its meteoric stride. At least, so they say -- though without yet producing supporting statistics.

Recent attendance figures betoken possibility that lush boxoffices of World War II days may be on way back. Trend certainly is similar: war economy, inflation, growing military camps, all conducing to more spending for entertainment.

But 1950 boxoffice was down quite a bit. Audience Research Inc. (Gallup) estimates year's average weekly attendance was 57,000,000, compared to 62,000,000 in 1949 and 80,500,000 in peak 1946.

Wall Street Journal's recent 10-city survey noted these 1950 declines from 1949: New York 15%, Chicago 25%, Philadelphia 33 1/3%, Cleveland 25-40%, Detroit 34-40%, Southwest 10-15%. Disgruntled exhibitor was quoted as placing blame thus: "There are too many TV sets in people's living rooms."

Most commonly heard reasons for improvement, says Journal: "A few more top-notch pictures, TV's novelty wearing off, more people with jobs, bigger paychecks." In addition, some exhibitors believe stiffer credit regulations, cutting installment buying, are shunting money to entertainment. And many individual theatres are benefiting from shutdowns of marginal houses -- an estimated 600 closing down last year.

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Upsurge is lending zest to promotional campaigns in which movie industry is really beating the bushes. For example, quite aside from using more TV-radio advertising to plug individual pictures (see Station Accounts):

They're also enlisting hotels, restaurants, bowling alleys, even clothing stores and transportation utilities in national ad campaign whose theme is "get 'em out of the house." This was urged upon exhibitors by Arthur L. Mayer, executive v.p. of Council of Motion Pictures Organizations (COMPO), who in recent letter said newspapers should also be interested -- not only for increased revenue from concomitant advertising but because TV is their competition, too.

COMPO has reported agreements with 80 candy, soft drink and equipment companies to plug "go to the movies" theme in their newspaper, radio, TV advertising. It noted most of them benefit from sales in theatre lobbies, etc.

All motion pictures in color was urged recently by Gael Sullivan, head of Theatre Owners of America, as a means of combating TV inroads. He also plumped for 3-dimensional pictures and theatre-TV.

Point made for third dimension is that, if feasible, it would make all flat-screen projections (movie or TV) literally "flat" by comparison. A major company in this field is Cinerama Inc., controlled by same interests as Reeves Soundcraft, which also manufactures TV equipment (TV Factbook No. 12).

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Theatre-TV is still white hope of exhibitors. Get public in to see exclusives, is main idea of theatre-TV enthusiasts.

Latest big news about theatre-TV is agreement of 20th Century-Fox with Swiss Federal Institute of Technology covering latter's Eidophore system of large-screen video (Vol. 1:13). It's reported 20th Century will provide funds for the continued development of 12-year-old system using arc light and liquid-filled magnifier, in exchange for exclusive commercial rights on royalty basis.

But system apparently is far from finished. Spyros Skouras is quoted in Feb. 11 New York Times:

"For purely technical reasons, from 18 months to 2 years must pass before we can be in full swing...It is not impossible that ultimately home TV will also benefit, but that is not foreseen in the immediate future."

Swiss system may be used in 24-theatre Fox hookup on West Coast, according to trade reports (Vol. 6:17).

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RCA offered reduction, not so long ago, in \$25,000 price of its theatre-TV installations if it gets enough orders to permit mass-production. Negotiations with TOA are in progress, and it's understood enough firm orders may be written soon to permit reduction to \$15,000. At moment, only about 15 houses in U.S. have such systems installed and operating.

Theatre-TV proponents have high hopes FCC will soon fix date for hearing on their request for frequencies (Vol. 6:29). There's some talk among engineers that system might work all right on common carrier frequencies, without need for any exclusive frequencies.

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Possible source of conflict among motion picture people -- only in talk stage yet -- is fact that divorcement of producer-exhibitor interests forced by Govt. may turn former to rentals to TV as source of income. On other hand, there's inescapable fact mere 107 stations in only 63 areas are presently operating, and freeze stays on; there's Petrillo; there's theatre-TV as threat from exhibitors.

Nobody seriously thinks producers, in near future at least, will seek deliberately to alienate their main source of rentals, the movie house. At any rate, the big producers continue to keep their run-out pictures in vaults, albeit they too would like to get even the limited revenues TV rentals might bring in.

CIVIL DEFENSE EFFORTS STIRRING: Communications aspects of civil defense, like most other facets, are again primarily state and municipal responsibilities -- as in World War II. Frequency assignments, of course, are under FCC control.

Many states have made good progress, while still-forming Civil Defense Administration only recently got a boss (former Florida Gov. Millard F. Caldwell) and has yet to get appropriation from Congress.

On technical side, only TV-radio station participation planned is broadcasting alerts or in maintaining "radio silence" if necessary. CDA, along with FCC and Air Force, is also studying stations' "homing" value to enemy aircraft.

States and cities are expected to supply own communications equipment (mobile, walkie-talkie, etc.), but CDA hopes to get funds to buy gear for a few critical "target" cities, is asking NPA to give it same priority as military.

Amateurs are being counted on. Characteristically, they're straining at leash to assist. Presumably, CDA would go to bat for them for spare parts, etc.

On programming side, CDA plans to feed TV-radio material to stations when it gets funds. Stations are offering all kinds of facilities for CDA's use.

Heading up technical side is Robert Burton, who did same job in last war, worked for Voice of America since. Top man in program field is Jesse Butcher, veteran of networks, stations, ad agencies, USO radio activities. A top figure in CDA is Clem J. Randau, named executive director this week -- third in command. He's former United Press business v.p., director of Marshall Field stations, president of Wichita's KFBI. Currently, he's stockholder and a director of New York's WNEW and co-publisher of weekly New Milford (Conn.) Times.

Station Accounts: Radio Daily reports major movie firms turning more to radio and TV—"as a stimulant to sagging boxoffice returns"—with Columbia Pictures planning big TV spot schedule for upcoming new film *Valentino*; Paramount using TV for buildup of *Molly*, soon to be released, based on CBS-TV show *The Goldbergs*; Paramount also planning TV-radio campaigns for *Mating Season*, *The Lemon-Drop Kid*, *Appointment with Danger*; United Artists using trailers from *Cyrano de Bergerac*; RKO's *Cry Danger* and *His Kind of Woman* due for heavy TV spot promotion next month . . . Chase National Bank first sponsor reported signing for *March of Time Through the Years*, films, starting Feb. 23 on WJZ-TV, New York, Fri. 10-10:30, other times on WENR-TV, Chicago, and WXYZ-TV, Detroit, thru Hewitt, Ogilvy, Benson & Mather, N. Y. . . . Celanese Corp. of America March 2 starts new *Wendie Barrie* show on WJZ-TV, Fri. 8:15-8:30, thru Ellington & Co. . . . National Shoes Inc. (women's shoe store chain) Feb. 18 starts *Time for Adventure*, children's stories, on WNBT, New York, Sun. 10-10:30 a.m., thru Emil Mogul Co. . . . Weston Electric Instrument Co., Newark, latest to plan using TV to recruit personnel (Vol. 7:5-6), thru United Adv., N. Y. . . . Kellogg Co. reported to have purchased 26 *Wild Bill Hickok* pictures to be produced by Wm. Broidy, to be placed thru Leo Burnett Co., Chicago . . . Forest Lawn Cemetery in Los Angeles is financing production of thirteen 30-min. films on inter-denominational Biblical subjects, each costing about \$15,000 and shot by Crusader Films, with plugs for own local placements but open-ended for syndication to other cities thru Ziv . . . Among other advertisers currently reported using or preparing to use TV: Crescent Chemical Co. (Gre-Sol), thru Hal Stebbins Co., Los Angeles; Meyenberg Milk Products Co. (condensed milk), thru Mayers Co., Los Angeles; P. Lorillard Co. (Muriel cigars), thru Lennen & Mitchell, N. Y.; Marlene's Inc. (hair waving shampoo), thru O'Neill, Larson & McMahon, Chicago; All-American Airlines, thru Buchanan & Co., N. Y.; Mars Television Inc. (TV receivers), thru Moselle & Eisen, N. Y.; Borden Co. (Hemo beverage), thru Duane Jones Co., N. Y.; Bank of America, thru Chas. R. Stuart Adv., San Francisco; Gibson-Hohmans Co. (calking), thru Gregory & House, Cleveland; Donna Lo Co., St. Louis (permanent wave shampoo), thru Olian Adv., St. Louis; Rockwood & Co. (candy), thru Platt-Forbes, N. Y.; Coffee Time Products Inc., Boston (carbonated coffee drink), thru Harry Paul & Associates, Boston; Air France, thru J. M. Mathes, N. Y.; Bovril of America Inc., thru Victor A. Bennett, N. Y.; Frank Bownes Co. (Modern Paints), thru Harry M. Frost Co., Boston.

Network Accounts: America for Christ Inc., non-profit organization of Christian laymen under guidance of Methodist Church's board of evangelism, March 5 starts *Circuit Rider* on ABC-TV, Mon. 11-11:30 p.m., thru Turner & Dyson, N. Y. . . . Lutheran Laymen's League Feb. 25 will present another special religious program on ABC-TV, *Bringing Christ to the Nation*, Sun. 4-4:30, thru Gotham Adv. Co., N. Y. . . . Corn Products Refining Co. (Linit starch) March 1 starts sponsorship of Thu. 1:45-2 segment of *Garry Moore Show* on CBS-TV, thru C. L. Miller Co., N. Y. . . . Next of Coca-Cola's *Edgar Bergen-Charlie McCarthy* shows on CBS-TV will be April 27, Fri. 9:30-10, thru D'Arcy Adv. Co., N. Y. . . . Bea Lillie March 18 replaces Bob Hope one-time on Frigidaire's *Star Spangled Revue* on NBC-TV, Sun. 8-9 . . . Pall Mall Cigarettes March 9 moves *Big Story* on NBC-TV, from alt. Fri. 9:30-10 to Fri. 9-9:30, thru Sullivan, Stauffer, Colwell & Bayles.

Personal Notes: Lester Gottlieb, CBS radio and TV producer, named director of network radio programs originating in New York, succeeding Robert Heller, resigned . . . Paul McCluer quits March 1 as NBC Central Div. radio sales mgr. to become asst. gen. mgr., Wade Adv., Chicago . . . Eugene S. Thomas, WOR-TV operations mgr., named chairman of program committee for St. Louis convention of Advertising Federation of America, June 10-13 . . . Edward Bleier, DuMont Network program service coordinator, recalled to Army duty . . . John F. Noone, ex-Meredith Publishing Co., appointed sales director of WPIX, New York . . . Robert Lambe, ex-WFMY-TV, Greensboro, N. C., named gen. sales mgr., WTAR & WTAR-TV, Norfolk . . . Julian Kaufman promoted to commercial mgr., KPHO-TV, Phoenix . . . Jack W. Rogers appointed regional sales mgr., WBAP & WBAP-TV, Ft. Worth, succeeding Jack Holmes, now with Ziv; Thaine Engle promoted to promotion chief . . . Eric Harris, TV recording technician, promoted to supervisor of special effects of CBS-TV, replacing John DeMott, now with Wm. Esty Co. . . . Everard E. Meade, TV-radio v.p., Young & Rubicam, with staff have taken over duties of Roland Gillett, resigned . . . Arnold Olin Leads resigns as TV director, Moss Associates, his duties being taken over by Joseph Moss . . . Earl G. Thomas named TV-radio v.p., Bennett, Walther & Meanadier Inc., N. Y. . . . Leslie G. Arries Jr. promoted to asst. to C. G. Alexander, DuMont program production dept. director.

Frank B. Scott, member of Congress who helped frame original Radio Act of 1926, later a prominent Washington radio attorney, died Feb. 12 in Palm Beach. Funeral was held Feb. 16 at his home in Alpena, Mich.

RTMA COMMAND MOBILIZES FOR CRISIS: TV-radio industry ready and willing to do Uncle Sam's bidding this week faced up to paradox of (a) continued high production, and (b) not-so-high military orders, even as (c) more and more restrictions were being imposed on critically needed raw materials.

How to correlate these problems was main preoccupation of RTMA committees, divisions, board, et al, at this week's annual midwinter conferences in Chicago. These were the general conclusions:

(1) Civilian production must be maintained, as much for need to keep vital "electronics army" mobilized, ready for any eventuality, as for selfish interests of this big segment of the business economy.

(2) Military orders, as presently envisaged in Washington, aren't enough to "take up the slack" between lessening civilian output and military production (Vol. 7:3). All TV-radio firms face rough going, some even may have to go out of business -- no one can entirely escape the shoals ahead.

(3) Individual companies must go to Washington to slug it out for themselves for more materials, relief from restrictions, govt. orders. RTMA can't do it for them. All RTMA can do is keep membership advised, through committees dig up facts and figures to aid them, and of course work on legislation.

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To accomplish first objective, in addition to conservation and substitution programs already launched, RTMA board authorized general expansion with larger staff, possibly own building, new paid president. Appointed to job, due to take over on or about April 1, was Glen McDaniel, RCA v.p., attorney, wartime Navy radio contract officer (Vol. 7:2). He succeeds Robert Sprague, who remains chairman.

To keep pace with military orders problems, RTMA will set up new supreme Policy Committee to operate as sort of industry "high command". It's set up to be more functional than Joint Electronics Industry Committee (Fred Lack & Robert Tait, co-chairmen), whose job is too high-level for detail work, and superior to Electronic Parts Mobilization Committee (A. D. Plamondon & Robert Laux, co-chairmen).

New Policy Committee is headed by McDaniel, includes Benjamin Abrams, Emerson; Dr. W. R. G. Baker, GE; Paul V. Galvin, Motorola; L. F. Hardy, Philco; Leslie F. Muter, Muter Co.; A. D. Plamondon Jr., Indiana Steel Products; Robert C. Tait, Stromberg; R. G. Zender, Lenz. RTMA chairman Sprague is ex-officio member.

First job will be to correlate all information on conservation and substitution measures, disseminate data to industry and to proper govt. officials. For example, it will take metals survey already made by Plamondon-Laux group, and decide how to use it, what govt. agency to contact, etc. As yet unreleased survey shows amounts of scarce metals used by industry in 1950, compared with total supply.

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Industry leaders agreed they're "living off fat" in current outpouring of TVs, foresee diminution of supplies certain by second quarter, real hardships third and fourth quarters. In view of material savings successes of RCA & Philco, remarks of one components maker were revealing:

"TV-radio has been profligate in its production processes for a long time. Plenty of savings are possible, not only in materials but also through tightening up of production techniques. But maybe it has all been for the best; the profligacy of the industry gives it the leeway to save now when it's needed."

RTMA will "aggressively" oppose proposed 25% excise tax (Vol. 7:6), basing case on "equity," stressing importance to defense and economy that no more road-blocks be put in TV's way, pointing to station freeze, shortages, etc. as obstacles already faced. New Tax Committee was named, headed by RCA's A. M. Freeman.

GOVT. CONCERN FOR SMALL BUSINESS: "Small business" has become sacred phrase at all defense mobilization agencies -- ever since Senate Small Business Committee accused National Production Authority of ignoring fact that material shortages threaten "large segment of American small business" with bankruptcy (Vol. 7:5).

NPA acknowledges that many small firms are finding it difficult to get materials necessary to stay in business without military orders. So, Defense Production Administration is getting ready to do something about it. For example:

Reward to prime contractors as incentive for increased subcontracting is one proposal being considered. Plan would place responsibility for subcontracting squarely on prime contractors, giving them more liberal allowances for "getting the business out" when their contracts are renegotiated.

Increased use of competitive bidding -- rather than negotiated contracts -- is another method being explored. Competitive bidding would be official govt. policy in cases where items involved are "standard."

Further evidencing Govt.'s concern for small business, DPA Administrator Harrison Feb. 16 appointed John C. Pritchard, Denver businessman, as Special Asst. for Small Business. Last week, Pritchard was named director of NPA's Office of Small Business (Vol. 7:6). He will serve in both posts.

NO TAX-BUYING SPURT, TRADE 'NORMAL': Maybe we called the shots a bit too quickly, putting too much emphasis on headline news from Washington, in reporting (Vol. 7:6) immediate effect of proposed 25% factory excise tax would be to stimulate set sales.

Some markets felt upsurge, to be sure, but it would be wrong to imply any tidal wave of business is resulting. Even in Washington, strong TV market, the news caused only slight buying flurry -- nothing comparable to that which resulted just before 10% factory excise went into effect last Nov. 1.

TV-radio business can best be described as good, by and large -- "normal," as some prefer to describe it. There's plenty of merchandise, more is piling up, but it continues to move to the public at satisfactory pace. That, at least, is condition among name-brand manufacturers and distributors we contacted this week.

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The 25% excise is long way off, probably well into summer, since Congress wants to review whole tax structure. Public apparently is wise to that fact. At any rate, threat of excise is not an important sales-impetus now, we're told, and many don't want to use it as an advertising come-on for fear of being accused of lack of patriotism. For, after all, Treasury proposes tax -- and tighter credit controls are threatened -- to discourage buying as one way to curb inflation.

There are some really bad trade spots. Los Angeles, for example, is in throes of price-cutting siege and special deals -- sales reported by Retailing Daily to be off 50-60% from last July-September peak. Situation is aggravated by spectre of county inventory tax, due March 28, and stocks held are reported to be 150-200% more than last year at this time.

In New York, January TV retail sales were reported by New York Times as up 10-25% over same month last year, 27-store Davega chain reporting sharp upturn currently due (a) partly to "rush" to beat possible excise hike, and (b) partly to liberal trade-in allowances on old sets, which enjoy "substantial and lively market among consumers whose income precluded purchases of higher priced new models."

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Factories meanwhile continue to turn out TVs and radios at amazing clip. RTMA first February week figures (actually, week ending Feb. 2) showed 167,315 TVs (4073 of them private brand) plus 322,855 radios (209,955 home, 100,944 auto, 11,956 portable). This compares with fourth January week's 176,860 TVs, 344,216 radios; third's 188,758 & 342,586; second's 167,859 & 338,528; first's 105,699 & 209,792.

First February week's drop was notably small, when you take into account Philco's stoppage 3 days that week, Admiral's 2-day shutdown, GE's one-day, due to rail strike (Vol. 7:5). Previously unreported, also, was fact that week before RCA plants in Indianapolis & Bloomington, Ind., lost day each due to storm.

Topics & Trends of TV Trade: Dislocations may occur here and there—but enough parts are available to keep all the nation's 11,000,000-plus TV sets operating. So say the manufacturers, who are pledged to turn out proportionate amount of replacement parts for every set they produce, and intend to continue doing so.

Shortages, their service executives say, usually reveal that servicemen aren't contacting local distributors. They usually buy from jobbers, and many seem unaware they can get parts from franchised wholesalers.

DO's from local military posts, in a few instances, have temporarily diminished local parts stocks (Vol. 6:50), but directives have gone out from manufacturers that this type of order henceforth should be filled by air freight from factory whenever feasible.

To show good intent, RTMA Service Committee got together with National Better Business Bureau officials during Chicago RTMA conferences this week, agreed to work with BBB whenever parts situation arouses beefs from local set owners. Modus operandi will be worked out at Feb. 27 meeting in Chicago with RTMA subcommittee comprising: A. T. Alexander, Motorola, chairman; Frank Smolek, Zenith; N. J. Cooper, Hallicrafters; L. E. Priscal, Sentinel.

RTMA Service Committee got \$15,000 budget to promote TV-radio servicing courses in secondary and vocational schools. Need for servicemen is acute, says chairman E. W. Merriam, DuMont, not only because of military drains but because TV production has outstripped concurrent increase in needed technicians.

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Community antenna successes (Vol. 7:2) have precipitated flood of inquiries, Philco and Jerrold Electronics report. For example: Philco says president of Sacramento Chamber of Commerce flew to Philadelphia expressly to investigate system's possibilities for his city; and WBOC-FM, Salisbury, Md., losing money, was willing to go off air if necessary (it wasn't) to place community antenna on its tower. Jerrold has now tailored system specifically for community service; formerly, it was same gear used for apartments. New equipment features maximum gain of 7000 instead of previous 500, conversion of high channels (Nos. 7-13) to low (Nos. 2-6) to reduce line losses, plus use of RG/59U cable instead of scarcer RG/11U which costs 3 times as much. In addition to distribution, Philco is assisting Jerrold in design work, procurement of tubes and other materials. One Philco distributor foresees "struggle for power" in acquiring rights to install community antennas. He says: "We're trying to land some deals, but Philco and Jerrold each claim national distribution. Installations could be nice plum, but there are lots of bugs—including advance survey (\$2000, only 1/2 recoverable) and acquisition of rights to utility poles."

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Majestic introduced new line of 19 models at Jan. 15 distributors convention in New York where it revealed 15% of its present production is already on govt. contracts. Only 3 models are tables: Model 70, 17-in. leatherette, \$239.95; 72, same, mahogany, \$289.95; 73, same, blonde, \$299.95. Others, all consoles, all mahogany unless otherwise specified, are (prices include excise tax):

17-in.: 712, plastic front, \$299.95; 700, \$329.95; 701, blonde, \$339.95; 1710, doors, \$359.95; 715, maple, doors, \$369.95; 717, blonde, \$379.95; 1720, doors, \$389.95; 1721, blonde, doors, \$409.95; 7PR12, AM-FM-phono, doors, \$489.95; 7PR13, blonde, AM-FM-phono, doors, \$509.95.

19-in. (all with doors): 902, \$469.95; 903, blonde, \$499.95; 9P4, phono, \$539.95; 9P5, blonde, phono, \$569.95; 9PR8, AM-FM-phono, \$599.95; 9PR9, blonde, AM-FM-phono, \$629.95.

Opposition to hiked TV-radio excise tax proposed by Administration (Vol. 7:6), to be heard March 7-15 by House Ways & Means Committee, includes following who filed appearances by Feb. 15 deadline: RTMA (Glen McDaniel, Robert Sprague or F. Cleveland Hedrick, possible Admiral witness), NAB (Ralph Hardy), Florida Assn. of Broadcasters (Garland Powell), WIOD, Miami (James Legate), possibly United Electrical, Radio & Machine Workers (Russ Nixon). Also scheduled to be heard on excise is Capitol Records (Glen Wallich). Protesting admissions tax on radio & TV shows will be League of N. Y. Theatres (James Reilly).

Greatest shortages at moment, according to corridor conversation at RTMA Chicago meetings this week, seem to be loudspeakers, transformers, receiving tubes—and talk naturally drifted to how to get DO's and relief from NPA. Parts makers are mainly concerned over critical metals, although some wire and resistor makers seemed fairly smug about situation inasmuch as they're selling to producers with military orders, to military services for stockpiling, and to non-radio producers such as electrical equipment firms, power and telephone-telegraph companies, etc.

Shun the word "substitution" when showing customers new conservation sets. That was advice of RCA Victor consumer products v.p. Joseph Elliott, speaking to dealers and distributors Feb. 15 at TV Town Meeting in Cleveland. He warned that inferior quality is presumed automatically, by average customer, when he hears any mention of substitutions—yet changes may even make better sets. Citing conservation measures, such as those accomplished by RCA and Philco, he ventured that "a surprising quantity" of sets would be produced this year despite shortages of critical materials.

Mexico has ended ban on imports of radios, phonographs, radio-phonos and TVs with radio or phono, effective Jan. 20. Import duty on TVs has been raised. List of new import duties on these and some 400 other commodity classifications, including washing machines, records, irons and stoves, is available for 45¢ from Office of International Trade, Department of Commerce, Washington 25, D. C., or from Commerce Dept. field offices.

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Sports-minded TV manufacturers, who know sports telecasts are prime inducements to set sales, breathed sighs of relief at Chicago RTMA meeting this week when they learned 1951 baseball season was going to be broadcast and telecast. Manufacturers decided to develop program to aid dealers in promoting interest in local games—also in observance of anniversaries being celebrated by major and minor leagues. To help in campaign, this subcommittee was appointed: Dan Halpin, RCA; Fred Lyman, DuMont; V. C. Havens, Crosley. Committee heard that more than 1000 radio and TV stations were covering baseball this season—several hundred more than last year.

Petitions in bankruptcy have been filed in New York Federal district court by Vidcraft Television Corp., and in Los Angeles Federal district court by Richmond Television Corp.—former proposing to pay general credits 100%, payable 4% cash and rest in monthly installments of 3%; latter proposing to pay labor and tax claims in full, all other unsecured claims in full with interest-bearing notes.

Cadillac Electronics Corp. is name of latest venture of I. R. Ross, ex-Atwater, ex-Major, and other companies. He's president of new firm, which announces it will market line of TVs nationally. Address: 3 W. 61st St., New York.

Next meeting of RTMA board will be April 12-13 at Seaview Country Club, Absecon, N. J., at which board of RMA of Canada will be guest.

Mobilization Notes: NPA's Electronic Products Div., headed by John Daley, is proceeding with its organizational work. There are now only 20 people on staff—but more than 60 expected by April 1. Two section chiefs have been appointed:

Tube Section—Louis H. Nicmann, Sylvania sales engineering manager on leave, who joined division this week.

End Product Section—J. A. Milling, RCA Service Co. v.p. on leave.

Mr. Daley plans to divide division into 12 sections, each representing subdivision of electronics industry. He has invited industry to form two 12-member advisory committees—an Electronic End Products Industry Advisory Committee and an Electronic Components Industry Advisory Committee. Combined, the 24-man group will function as Electronics Industry Advisory Committee.

Seven other 6-man advisory committees will be formed from industry to advise each section of the division.

Division hopes to get staff member from ranks of labor. Ten union representatives are due to join NPA divisions, including Electronic Products Div. Union men who have been selected are those with broad knowledge of industry, and will serve not as special labor consultants but as regular staff members, with same duties as other staffers, an NPA spokesman stressed.

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DPA appointed Charles E. Wampler, AT&T asst. v.p. for operations & engineering, as Director of Program & Requirements this week. Economic Stabilization Agency made these appointments: Nathan Colwell, in charge of Treasury's TV-radio bond promotion, to similar job on Eric Johnston's staff; former Massachusetts Congressman Joseph Casey, chief legislative counsel; Ernest Heilmann, ex-OPA radio branch chief, acting director of OPS Consumer Durable Goods Div.; Charles M. Gilbert, ex-Simon Distributing Corp., Baltimore & Washington (Motorola TV-radio, GE appliances), onetime OPA Consumer Durables Div., to OPS home furnishings branch; B. Bion Howard, Northwestern U economist, loaned to OPS Consumer Durable Goods Div.

Col. Harry L. Vitzthum, ex-commanding officer of Signal Depot, Sacramento, Cal., has been named Assistant Chief of Signal Corps Procurement & Distribution, succeeding Brig. Gen. E. V. Elder, new div. chief (Vol. 7:5).

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To avoid raw film shortage this year, NPA Motion Picture Div. Director Nathan D. Golden Feb. 14 warned movie industry that consumption of film stock must be cut 5-10%. He said TV's use of film—which has reached 5% of total output—together with Defense Dept.'s need for 6%, State Dept.'s requirement of 2%, add up to shortage risk. Earlier in week, DuPont rescinded planned 25% cutback in raw film production (Vol. 7:6). Decision to cut X-ray film output rather than movie film followed meeting of duPont officials with Golden and Motion Picture Assn. v.p. Joyce O'Hara.

War of ideas was recognized as important part of defense effort this week when National Production Authority authorized DO (defense priority) ratings for acquisition of radio and electronics, motion picture and press equipment and materials needed to maintain and expand *Voice of America* (NPA Delegation No. 8).

To bring subcontractors and contractors together, Air Materiel Command's New York Procurement Field Office, 67 Broad St., beginning Feb. 19 will sponsor one-week exhibit by 27 manufacturers having total of more than 300 Air Force contracts valued at \$250,000,000. Manufacturers will display parts and equipment they need from subcontractors, and their representatives will be present to discuss specifications with prospective suppliers.

Financial & Trade Notes: RCA financial report for 1950, due to be released Feb. 27, is expected to show gross income well over \$600,000,000. Consolidated sales for first 9 months of 1950 were \$395,741,391 (Vol. 6:43), compared with \$275,673,666 for same 1949 period and \$397,259,020 for whole of 1949 (Vol. 6:8).

Webster-Chicago sales in 1950 were \$19,300,000 vs. \$11,250,000 in 1949, executive v.p. Charles P. Cushway told Society of Security Analysts luncheon in Chicago Feb. 14. He said \$1,000,000 of \$1,300,000 realized from recent stock distribution (Vol. 6:51) has been earmarked for building program, and company is negotiating for 25 acres near Chicago as site of 250,000 sq. ft. one-story building to replace present plant. Firm was reported to have \$2,500,000 in govt. contracts and expects new \$1,500,000 contract soon—mainly involving multiple-channel magnetic recorders for Air Force and Atomic Energy Commission. Goal is \$10,000,000 in govt. contracts this year.

Strong position of electronics firms in peace or war is pointed up in reports by Shearson, Hammill & Co., New York, and Dean Witter & Co., New York; also in report on Sylvania by Paine, Webber, Jackson & Curtis, New York. Reports make these points: (1) Electronics has become vastly more important to military program since last war. (2) TV's enormous potential assures postwar prosperity.

Avco's common stock outstanding increased to 8,615,649 shares as of Feb. 1, compared with 8,231,236 as of Nov. 30, 1950, according to report to SEC. Increase of 384,413 shares resulted from acquisition of Bendix Home Appliances, 37,311 shares from conversion of preferred stock, 900 from exercise of options.

Trade Personals: Frank Freimann, Magnavox president, elected member of RTMA board, succeeding Richard A. O'Connor, now Magnavox chairman . . . Harry D. Hanafus appointed purchasing agent of Westinghouse's newly formed Electronic Tube Div., headquartering at lamp plant in Bloomfield, N. J., where he has been asst. purchasing agent since 1945 . . . Wm. Garstang, ex-Midwest sales mgr., Belmont-Raytheon, appointed contracts coordinator for technical products . . . Edward L. Mayer, ex-Atwater Television Corp., has organized Television Supply Corp., 334 Furman St., Brooklyn, dealing in components . . . Carl Holys, ex-Motorola, now factory mgr., Wilcox-Gay, Charlotte, Mich., succeeding E. E. Chapman, now with Grand Rapids Store Equipment Co.; Donald Sexsmith, ex-asst. to executive v.p. G. F. Langford, named asst. to Mr. Holys and Ed Morey named director of recording dept. sales under Milton Benjamin . . . George Krakora named personnel director, Stewart-Warner TV-radio div. . . RCA Tube Dept. promotes W. L. Rothenberger from asst. gen. sales mgr. to mgr. of sales operations, L. J. Battaglia to mgr. of renewal sales field force, L. F. Holleran to mgr. of sales administration, Howard S. Gwynne to asst. to gen. sales mgr. L. S. Thees . . . Julius Haber, adv.-sales promotion director for all RCA technical products, named acting adv.-public relations mgr. of Tube Dept., with Lawrence LeKashman as aide . . . Robert McQuiston heads new RCA Victor Specialized Employment Div., set up to recruit experienced engineers . . . John S. Mills, who resigned as Tele-tone sales v.p. in 1949 to become president of its subsidiary Rico Television Corp. of Puerto Rico, later merged, has returned to Tele-tone as v.p. in charge of production . . . Henry Fogel, ex-Tele-tone chief engineer, ex-Electromatic gen. mgr., named executive v.p., McMurdo Silver Co., 417 Lafayette St., N. Y. . . Henry van Rensselaer, sales mgr., DuMont Electronics Parts Div., recalled to duty as an Air Force major . . . James Richard Oberly, ex-Pope & Ballard, joins Admiral as asst. gen. counsel under v.p. Frank Uriell.

Telecasting Notes: Another voice added to chorus of protest against mounting time and talent costs is that of Howard O. Hildreth, Mohawk Carpet Mills ad mgr. (*Mohawk Showroom*, NBC-TV), who told Syracuse Ad Club that costs "may force TV to topple of its own weight"—echoing views of Kudner's James H. S. Ellis (Vol. 7:2-4). Hildreth sees solution in lifting of freeze on new stations, thus removing heavy burdens from present oversold stations, forcing costs down . . . CBS and KTTV formally part company April 1, when KTSL (purchased from Don Lee estate) becomes exclusive Los Angeles TV outlet for that network, adding some 22 hours to present KTSL schedule. Presumably, deferred change in KTSL call letters, to KNX-TV, will then be effected . . . Complaints of radio affiliates have led CBS program dept. to instruct its New York and Hollywood directors to "play down" plugs of TV shows on AM network programs, particularly sustainers . . . Wayne Cody takes his famed 28-year-old Gimbel-sponsored *Uncle Wip* program off Philadelphia's WIP (AM) Feb. 19, starts Mon.-Wed.-Fri. 5:30-5:45 version on WFIL-TV, same sponsor . . . Los Angeles Angels home baseball games purchased by KLAC-TV for reported \$60,000, and it's now believed Hollywood Stars will cut its \$150,000 asking price . . . KLAC-TV taking over Beverly Hills Music Hall, movie house, for production and audience shows . . . Born of TV-stimulated interest in wrestling, new magazine, *Official Wrestling*, with Gene Tunney as chairman, due on stands next month, guaranteeing 200,000 circulation, getting free plugs on TV wrestling shows . . . WJZ-TV extended daytime schedule with half-hour *Ladies Daily*, which started Feb. 12, Mon. thru Fri. 11-11:30; it's designed as participating show in women's magazine style . . . Unique show idea on KPIX, San Francisco, is *KMA 438*, which is local police dept. radio call; inspectors Mon. 7:30 take citizens backstage to show how police work on everything from traffic to serious crime . . . Among awards of National Conference of Christians and Jews this week, DuMont Network's *Captain Video* got the TV accolade . . . John Cameron Swayze, of NBC-TV's *Camel News Caravan*, ex-Kansas City newsman, becomes 5-a-week columnist for McNaught Syndicate starting Feb. 26 . . . Dancing has become such important feature on TV that Cincinnati's WLWT has engaged Cecile Lindsay as staff choreographer, believed to be first such outside networkers . . . WGN-TV, Chicago, raises base hour rate March 1 from \$900 to \$1000, announcements from \$150 to \$200.

Civilian Defense Administration has given "blessing" to number of one-reel films, to be privately produced and marketed, but hasn't yet decided just how they'll be offered to TV stations. Present thinking is to supply them gratis for first showing, graduated scale thereafter. For showings in theatres and other places, films are to be sold and rented through ordinary commercial channels. First film, due in March, is *Survival Under Atomic Attack*. To follow are *Fire Fighting for Householders*, *What You Should Know About Biological Warfare* and other pertinent subjects. Producers are United World Films, 1445 Park Ave., and Teletran, 480 Lexington Ave., both New York. Top CDA moviemanager is Howard Johnson, ex-Navy film division.

That illegal TV station in Williamsport, Pa. (Vol. 7:6), brought suspension of amateur license (W3KJI) to John M. Vandling, who operated station in conjunction with couple local dealers. He has right to request hearing. FCC hasn't yet said anything about 2 reported Texas "bootleg" stations.

More Feb. 1 sets-in-use reported since NBC Research's "census" of Jan. 1 (Vol. 7:3): Cleveland 422,503, up 26,503; Louisville 78,553, up 5253; Johnstown 68,125, up 6825; Boston 674,323, up 32,323.

Wages of TV-radio broadcasting employes are frozen under the general wage freeze, Wage Stabilization Board emphasized in question-and-answer release this week—even though telecasting-broadcasting rates are exempt from controls (Vol. 7:4). WSB answers first question this way: "This regulation covers all employes and employers who pay or receive wages, salaries or other compensation, including employes and employers in the following industries: Books, magazines, periodicals, newspapers, motion pictures, radio broadcasting, television, common carriers, public utilities and non-profit institutions. . . ."

Industry criticism of military-backed electromagnetic radiation bill (Vol. 7:2, 4, 6), which would give President power to "control or use" TV or radio stations and receivers—in fact, anything that gives off a signal—will be heard Feb. 21 by Senate Interstate & Foreign Commerce Committee. Industry believes President already has adequate emergency powers, finds bill unnecessarily confusing, wonders who would administer it and how. Appearances: Defense Dept. (Maj. Gen. F. L. Ankenbrandt), FCC (George Sterling), RTMA (GE's Dr. W. R. G. Baker, possibly Philco's David Smith, et al.), NAB (Justin Miller, Neal McNaughten, Ralph Hardy).

Legislation of interest to FCC will be discussed Feb. 19 in closed session of House Interstate & Foreign Commerce Committee, by acting chairman Paul Walker, rest of available commissioners, top staffmen. To be considered: monitoring stations, electromagnetic radiation, McFarland bill, educational TV, color—in fact, anything that Committee or Commission want to bring up. Committee has been querying all agencies under its wing about their emergency legislative requirements.

Communications Policy Board (Vol. 7:2, 6) submitted 350-page mimeographed report to President Truman Feb. 16 and disbanded after completion of year's work. Contents of report weren't disclosed, won't be until March 15 or 20, when printed copies are available—unless President makes comment in interim. Rumor persists that among recommendations is one to establish super-board, above FCC and Interdepartment Radio Advisory Committee, and that FCC Chairman Coy may be asked to head it.

Tests of directional TV operation, an important and controversial factor in TV allocations, are objectives of experimental applications filed this week by TV applicants Easton Publishing Co. (WEEX-FM), Easton, Pa., and Lehigh Valley TV Inc. (WSAN), Allentown, Pa. They've hired directional expert Paul Godley, who favored directionals during hearing, to conduct experiments with 500-watt installation, 700 ft. above average terrain on Gaffney Hill, 5 mi. southwest of Easton. Stations will share time.

A \$1000 award for best piece of research on sociological effects of radio and/or TV has been announced by Edward L. Bernays Foundation, established by the noted public relations counsel. Studies must be submitted by June 15, comprise work completed or nearly completed since Jan. 1, 1949. Reports should be sent to chairman of judging committee, Clyde W. Hart, director of National Opinion Research Center, 4901 S. Ellis, Chicago 15, Ill.

Petrillo has extended until Feb. 22 existing contract with networks, with negotiations continuing on almost daily basis. Crux of impasse is still question of film and kinescope usage. Unofficially, Petrillo is seen agreeing to "parity" for radio-TV musicians' wages; he was asking 20% premium over radio rates (Vol. 7:5).

And finally—Smellovision! Feb. 19 *Time* reports that one Emery Stern has been granted Patent No. 2,540,144 for device which will automatically release odors "appropriate to the type of program, e.g., peach blossom for romance."

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In This Issue: { How New Curbs Will Affect TV Output, page 1. Trade Wary of Conservation Publicity, page 7.
Senators Don't Like 'Radiation' Bill, page 2. April 1—Conservation Deadline, page 7.
Capacity Grows in Spite of Shortages, page 3. Higher Prices Seen Unavoidable, page 8.
War Orders Begin Picking Up Weight, page 4. Topics & Trends, Mobilization, Financial, pp. 9-10.

CONSERVATION, THE KEY TO SURVIVAL: TV-radio production must go on. Military orders, under present govt. planning, won't occupy more than a minor percentage of the industry's vast productive capacity. Meanwhile, shortages and restrictions will squeeze tighter and tighter the supply of materials available for civilian production. RCA and Philco have prepared summaries of their comprehensive programs to conserve critical materials (Vol. 7:6-7) -- developments which they have offered to share with the entire industry. We include with this issue a special report devoted to outlines prepared by RCA and Philco, detailing their methods and results.

HOW NEW CURBS WILL AFFECT TV OUTPUT: How wide a swath will NPA's forthcoming "durable goods" restrictions cut in TV-radio output?

There's no pat answer to any question about electronics -- or about NPA. But key lies directly -- now more than ever -- in answer to a second question:

How far can the industry stretch its supply of scarce materials?

Previous NPA orders have served, by and large, to help TV-radio get fair share of scarce materials -- by rationing them equally among virtually all civilian users. Forthcoming steel-copper-aluminum restrictions are designed to make sure the industry doesn't get more than its share.

New series will be first NPA limitations applying directly to end-product manufacturers. They will hit these industries: transportation, furniture & fixtures, utensils & cutlery, jewelry, games & novelties, amusement machines, household appliances (including TV-radio).

During second quarter, each manufacturer in those categories will be limited to 80% of amount of steel, 75% of copper, 65% of aluminum which was incorporated into products he turned out during an "average quarter" in first half 1950.

There will be no limitation on number of units manufacturer is permitted to produce, as there was in World War II. NPA wants him to make as many as he can -- so long as he stays within the metals limitations.

Percentage cutbacks will be jacked up each quarter, under present NPA plans, meshing as closely as possible with increasing military production, in order to cause minimum unemployment.

In addition to new limitation orders, present across-the-board regulation cutting use of copper by 20% of average use during first half 1950 (M-12, see Vol. 6:48) will be stepped up to 25%, and aluminum restriction will be retained at 35% (M-7, see Vol. 6:46), during second quarter.

Prime difference between present orders and forthcoming ones: Old orders affect only fabricators, by limiting quantities of copper and aluminum they may use. New restrictions hit directly at end-product makers (Vol. 7:6).

Every manufacturer will have to know exactly how much copper, steel and aluminum his finished products contain -- and how much they contained during first half 1950. Although details of orders haven't been spelled out yet, presumably this

includes such data as amount of aluminum in capacitors, steel in ferrite transformer cores, copper in electron tubes.

* * * *

Don't get the impression picture is entirely gloomy one. It depends on how you look at it. Consider these facts:

TV-radio is in better position than most consumer durable industries. Amply-displayed ingenuity of electronics industry, as well as adaptability of its products to design changes, act in its favor.

New restrictions will be aimed primarily at auto and major appliance industries, where steel is biggest item -- and biggest problem. But electronics industry, through conservation measures, can cut steel content of TV receiver by more than 50%, aluminum by as much as 70% (as some manufacturers already have done).

Copper, then, is limiting item, so far as forthcoming orders affect TV-radio. Philco claims its new model uses 26% less copper than current sets, even though it has added copper speaker field in place of alnico magnet (Vol. 7:7). It isn't outlandish to assume other manufacturers can make similar savings.

Since NPA is cutting back use of copper by 25%, and at same time industry can turn out sets with 26% less copper, we may assume that -- barring unscheduled disturbances, super-shortages or total war -- second quarter TV-radio output can equal NPA's "average quarter" of first half 1950.

Production in first half 1950 was 3,000,000 TVs, 6,500,000 radios, compared to 4,500,000 TVs, 8,000,000 radios in second half.

Assuming that industry saves 25% of the copper in all TVs and radios alike, and continues to produce TVs and radios in same proportion as first half 1950, we divide first half 1950 production figures by 2 to get "average base period quarterly output," and we have:

Production of 1,500,000 TVs, 3,250,000 radios as a "guesstimate" of potential second quarter output. This compares with 2,445,000 TVs, 4,320,000 radios in peak fourth quarter 1950, and 961,265 TVs, 1,880,277 radios already turned out in first 6 weeks of 1951.

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Official govt. objectives for American industry as whole, as outlined in Feb. 23 broadcast by Defense Mobilization Director Charles E. Wilson:

Production curtailments will be temporary -- for perhaps 2 years -- while U.S. expands its output of vital raw materials. By 1953, civilian production should return to 1950's high level, coincident with large volume of military production -- because of tremendous expansion of American industry. As Mr. Wilson expressed it:

"As an inevitable result of transferring metals to defense materials, we are cutting down the quantities of basic metals that are going into durable consumer goods, such as automobiles, refrigerators, washing machines, radios and TV sets.

"Americans can hardly look on this temporary curtailment as a calamity."

SENATORS DON'T LIKE 'RADIATION' BILL: Military's "shotgun" bill (S. 537) to control electromagnetic radiations of all kinds (Vol. 7:2,4,6,7) is definitely spiked. That much is quite clear from Feb. 21-22 hearings before Senate Interstate & Foreign Commerce Committee.

A slight amendment to Communications Act, perhaps none at all, is likely upshot of whole worrisome proposal.

No one questioned military's purposes, which were simply to give President emergency control of all devices capable of being used as homing devices by enemy.

Communications Act already gives him this power over "radio communications," but military wanted to be sure he had it over radar or any other radiator which could conceivably be used by enemy.

Senators Johnson (D-Colo.) and Magnuson (D-Wash.), only members attending, made it obvious from start that they felt military was actually asking for more than it really wanted or needed. "Arbitrary and unnecessary action," said Sen. Johnson.

So Senators offered brief amendment to Communications Act Sec. 606(c), asked

witnesses for comment on it at later date. Both FCC and industry witnesses made it evident they liked Senators' proposal -- if indeed any legislation at all is needed. And even witness for Defense Dept. didn't seem unduly insistent on S. 537. (For text of Senators' proposal, see p. 11).

Principal criticisms, as expressed by NAB, RTMA, Civil Defense Administration, International Assn. of Fire Chiefs:

(1) S. 537 would give President power to act at almost any time to control almost any device -- rather than restricting him to "proclaimed emergencies" and devices actually of possible use to enemy.

(2) Duplication of FCC's role of control would be possible -- with President able to delegate sweeping powers to military, Civil Defense Administration, or any other agency of his choosing.

(3) Literally billions of devices (actually anything radiating from 10 kc to 100,000 mc), even if they can be detected only few feet away and are obviously of no use to enemy, would be subject to direct control at any time.

(4) Enemy has far better navigational and homing tools at his command anyway, e.g., radar, celestial navigation, Loran.

Witnesses at hearing were: Maj. Gen. F. L. Ankenbrandt, Air Force communications chief; Comr. George Sterling and Curt Plummer, FCC; Dr. W. R. G. Baker and David Smith, RTMA; Judge Miller, Neal McNaughten and Ralph Hardy, NAB; Herbert Friede, International Assn. of Fire Chiefs.

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Revealing sidelight of hearing came in questions propounded to Philco's David Smith by Sen. Johnson. Departing from purposes of hearing, Sen. Johnson asked:

"Are you opposed to giving FCC authority over devices causing interference, aside from the question of devices useful for homing?" He was interested in oscillator radiation problem (Vol. 7:4).

Smith said he didn't know legalities, but pointed out that FCC and industry have always worked together to clean up low-power radiations of that type and that considerable success has been achieved.

"Well," said the Senator, "I think someone ought to have power to make manufacturers produce equipment with low radiation. The law ought to be clear on that."

After hearing, we asked Sen. Johnson if he thought that legislation is needed on the matter. "I don't know," he said, "that's up to the technicians. I'm asking questions, trying to find out."

CAPACITY GROWS IN SPITE OF SHORTAGES: Great post-war expansion of electronics industry, almost entirely TV-fostered, continues at remarkable clip. In last 3 months alone, we've reported 50-odd projects started or completed.

Apparently, manufacturers are betting either that (1) military demands will increase faster than civilian output will shrink, or (2) it's best to get plant capacity now, even if lull does develop in civilian-to-military shift.

GE seems most active of all, building plants in Auburn, Utica, Buffalo and Hudson Falls, N.Y., Owensboro, Ky., Toronto, etc. Most-recently announced is \$15,000,000 project in Utica (see p. 9). And v.p. Dr. W. R. G. Baker tells us there are more in the works. RCA, Westinghouse, Philco, Raytheon, dozens of others, have sizeable programs under way.

"Military work" is announced purpose of some expansions, yet many companies simply say they need more civilian capacity -- largely TV and its components.

Manufacturers' own initiative, not govt. prodding or assistance, is prompting most construction. NPA and Munitions Board are frankly dubious of expansions to take care of military production. Says one official:

"There's plenty of capacity in components useful for both civilian and military production -- under the present military program. Facilities are short in only a few instances -- for highly-specialized components.

"It's something of a paradox that manufacturers urge release of materials for civilian production to keep their working forces together until military orders

are large enough, and at the same time are expanding facilities and personnel."

Such govt. financial assistance and inducements as 5-year tax amortization, etc., are currently rare in electronics industry. One NPA official puts it this way:

"We're going slow until we know more about the possibilities of converting existing facilities to military production. Here you have an industry which produced some 20,000,000 TV and radio sets last year and is now getting less materials for civilian production. Suppose we rushed in and granted a lot of 'certificates of necessity' to write off new plants in 5 years? Wouldn't our faces be red if it turned out that these companies didn't have enough business to keep existing plants in production, let alone new ones?"

So DPA has granted very few certificates of necessity, although NSRB authorized some earlier. About 80-100 applications are pending, but Govt. seems to feel that many are filed simply because companies "have nothing to lose."

Only instances of Govt. inducement to expand are in components which have little or no peace-time sales value -- principally special-purpose transmitting and receiving tubes. Example:

A big World War II radar producer suffered heavily trying to find peace-time sales, keep its special-purpose machinery going. Now, military wants company to gear up again, but latter is naturally reluctant to invest heavily in such equipment. So Govt. grants certificate of necessity, even buys equipment (but retains ownership) for company use.

Processing of applications has been on something of a catch-as-catch-can basis, but agencies expect to smooth it out shortly.

NPA's Facilities and Construction Bureau, under Frank R. Creedon, refers applications to agency's electronics or communications divisions and to various military departments, for approval or rejection, then passes them to DPA for final action. Up to now, military action hasn't been coordinated. Soon, however, all military recommendations will funnel through single office at Munitions Board.

Mr. Creedon's staff includes assistant William R. Davlin and division directors John L. Haynes (building materials), R. R. Britton (construction controls), Harvey M. Harper (loans), Ross A. Gridley (tax amortization).

WAR ORDERS BEGIN PICKING UP WEIGHT: Speed-up in military procurement is finally being felt by electronics industry.

But because industry is so vast, impact on its \$3 billion TV-radio production potential is scarcely noticeable. Nevertheless, contracts are going out, and names of some companies which have been strangers to procurement lists are beginning to appear.

Signal Corps sent out \$500,000,000 worth of "letter orders" during first 3 weeks of January, authorizing research and development prior to submission of bids for 300 items of equipment. This is the breakdown:

Radio-communications, \$237,000,000; wire-cable, \$119,000,000; electronics-radar, \$35,000,000; telephone, \$22,000,000; photo, \$7,000,000; other, \$39,000,000.

Step-up in orders is reflected in long list of Signal Corps contracts on p. 10. This listing, prepared by Commerce Dept., doesn't include subcontracts or classified (secret) orders. Thus it reflects unknown percentage of total.

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Civilian production must continue to be main business of TV-radio industry. RTMA made survey in mid-January of 36 firms with 138,000 employes, which produced 75% of dollar value of TV-radio equipment in 1950. Results were turned over to Munitions Board. From non-military govt. source, we learn that of these 36 firms:

Thirteen, or 36%, had no defense contracts at all.

Twenty-one, or 58%, had orders totaling less than 5% of their 1950 volume.

Two companies, or 6%, had 57% of defense contracts held by all 36 firms.

And they had only 6511 employes between them,

Hallicrafters, whose communications equipment is military standby, reported Feb. 21 that it had received \$8,800,000 in new Signal Corps contracts since Jan. 1,

bringing its total unfilled military orders to \$22,600,000. Military items will constitute 11% of Hallicrafters' production during first quarter, and v.p. Raymond Durst estimates figure will climb to about 25% in April and May.

Magnavox reports military work at about 2%. Emerson's Ben Abrams recently said his company's defense output was of "minute proportions." This week, however, Signal Corps announced Emerson had received \$4,600,000 worth of contracts for radios and detectors.

Electron tube makers are in better position than set makers in regard to war work. Just as civilian demand for their products is at all-time high, so is military demand heavy. Hytron, for instance, says its defense work now amounts to 10% of output, expects it to climb to 25 or 30% by August.

Network Accounts: Ralston Purina Co. (Instant Ralston cereal, Wheat Chex, Ry-Krisp, Rice Chex) March 11 starts *Pets and Pals*, children's participation program, on ABC-TV, Sun. 4:30-5, thru Gardner Adv. Co., St. Louis . . . Next *Jack Benny Show* on CBS-TV is March 18, Lucky Strike sponsoring Sun. 7:30-8 in lieu of regular *This Is Show Business* . . . Recently announced changes in NBC-TV's *Saturday Night Revue* include new sponsors Bymart Inc. (Tintair) and Lehn & Fink Products Corp.; cancellations by Snow Crop Marketers, Campbell Soup Co. & Wildroot Co. New line-up on show: Lehn & Fink 8-8:15 segment; Bymart 8:15-8:30; Crosley March 10 moves to 9-9:30; Minnesota Mining & Mfg. Co. (Scotch tape), Benrus Watch Co. & S.O.S. Co. remain as sponsors of 9:30-10; Swift & Co. March 10 takes 10-10:30. Only segment unsold is 8:30-9 . . . Wildroot Co. (hair tonic) April 18 moves *Charley Wild, Private Detective* on CBS-TV from alt. Fri. 9-9:30 to Wed. 9-9:30; Bymart Inc. (Tintair) April 21 shifts its *Somerset Maugham Theatre* to Sat. 7:30-8 . . . March 5 is starting date of Colgate-Palmolive-Peet (Fab) sponsorship of *Susan Peters Show* on NBC-TV, Mon.-Fri. 3-3:15, thru William Esty Co., N. Y. . . . Starting April 2 is new Lever Bros. (Surf) *Hawkins Falls* on NBC-TV, Mon.-Fri. 5-5:15, thru N. W. Ayer & Son, Philadelphia . . . New Cluett, Peabody & Co. alternate week sponsorship of *Holiday Hotel* on ABC-TV, Thu. 9-9:30, starts March 22.

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Lexington, Ky., had 3000 TV sets, as of last September, even though 70 miles from Louisville, 80 from Cincinnati, according to study by Elmer G. Sulzer, head of radio arts dept., U of Kentucky.

Educators' chances of getting TV channel reservation (particularly in vhf) are still up in air, since there's no indication FCC has reached any decision. And announcement of new vhf-uhf allocation plan (Vol. 7:5), including educational reservation if any, isn't likely until after return of Chairman Coy first week in March.

Educators are making public-relations hay, meanwhile while public's memory of FCC hearing argument is still fresh, encouraging letters-to-FCC, etc. Comr. Hennock is making speeches every few days—most recently in Washington, Philadelphia, East Lansing, Mich., Atlantic City.

Telford Taylor, educators' counsel during hearing, made energetic pitch during ABC's *America's Town Meeting of the Air* Feb. 13. NAB's Ralph Hardy marshalled industry arguments. Others on program were New York U's Charles Siepmann, of FCC Blue Book fame; Robert Landry, editor of *Space & Time*; Edwin Falk, TBA and DuMont counsel, and U of Illinois' Dallas Smythe, ex-FCC, laid educators' case before Chicago TV Council Feb. 14.

Stations are obviously stepping up educational programming and publicity, too. NBC-TV is probing *Operation Frontal Lobes* (Vol. 7:2) plan whereby network pre-

All TV films would be censored by Ohio education dept., according to bill introduced into State legislature last week. Bill brings TV films under same category as theatre films. Several weeks ago, New York attorney general ruled that State legislature could authorize New York Board of Education to censor TV films, as it does theatre films (Vol. 7:4).

NLRB will conduct election March 7 among 700 CBS office workers to determine which union, if any, they want to represent them; already qualified for ballot are Newspaper Guild of N. Y. (CIO) and Radio Guild, Distributive Processing & Office Workers of America (independent, whose contract with network expired Jan. 31), with Office Employees International Union (AFL) yet to decide whether to participate.

Directory of college radio & TV courses (33 pp.) has just been issued by Federal Security Agency's Office of Education, Washington 25, D. C. In last 2 years, according to editor Gertrude Broderick: number of schools has increased to 420; schools offering TV programming courses increased from 33 to 60, TV engineering courses from 28 to 40. TV workshops are featured by 18, radio workshops by 284. Degrees in radio are offered by 65 institutions.

Will wages be unfrozen in broadcasting, publishing and entertainment industries? Congress specifically exempted these fields from price controls, so their employes maintain it's unfair to freeze their wages (Vol. 7:4,7). Wage Stabilization Board had scheduled hearing on this question for next week, but—like all WSB activities—it's been indefinitely postponed because of labor members' bolt from board.

empties one week out of 44 from various sponsors in order to present public service programs. Supervisor of programs is Davidson Taylor, ex-CBS, operating under TV v.p. Pat Weaver. Network's WNBT, New York, will have own series, too, featuring museums, music appreciation, YMCA-American Jewish Committee films on brotherhood, etc., Police Athletic League juvenile talent, etc.

Baltimore stations resemble a campus nowadays, what with WAAM sponsoring seminar on "Career Opportunities in TV," WBAL-TV planning programs presented by 12 colleges, all 3 stations (including WMAR-TV) supplying facilities for Johns Hopkins TV workshop course.

Other workshop activities: CBS and Fordham U have tieup providing 3-months training, in university course, for network's personnel with aptitude in TV directing. Newark's WATV announced workshop arrangement with Seton Hall College, South Orange, N. J.

Panel discussion of education and TV, which included Comr. Hennock, other educational prime movers, plus TBA counsel Thad Brown, is featured in Feb. 26 *New Republic*. Half-hour tape recording of discussion is being distributed for broadcasts over educational AM & FM stations.

Station Accounts: Snow Crop Marketers is switching from network nighttime (NBC-TV's *Saturday Night Revue*) to local daytime TV with half-hour filmed show to be placed in about 40 cities one or two afternoons weekly, starting next month, thru Maxon Inc., N. Y. . . . Curtis Publishing Co. which has been sponsoring *Tex & Jinx McCrary New York Closeup* on WNBT, Wed. 6:30-6:55 is buying other TV markets for show, thru BBDO . . . Latest merchandising stunt, cashing in on Hopalong Cassidy popularity, is children's savings clubs being worked out by Bar 20 Inc., Chicago, franchise holder, with promotional package being assembled by Bozell & Jacobs. Individual banks will be franchised in each city, with children being encouraged to join thru commercials on 63 TV stations carrying Hoppy movies . . . Los Angeles Evening Herald & Express will use series of filmed TV messages to promote \$35,000 circulation contest, thru C. B. Juneau Inc. . . . Getting viewers to tell about their most prized possessions is tied in with display of rare jewels and commentary on them by authorities in new *Gem Session* on WTOP-TV, Washington, Mon. 7-7:15, sponsored by Charles Schwartz & Sons, jewelry store, thru Kronstadt Agency . . . Vim Television & Appliance Stores, New York chain, March 10 will start new show on WCBS-TV, starring violinist Florian ZaBach, Mon. 11-11:15, thru Frederick-Clinton Co. . . . Wine Growers Guild (Guild wine) March 2 starts new filmed series *Front Page Detective* on KTTV, Los Angeles; WABD, New York; WXEL, Cleveland; WGN-TV, Chicago; KGO-TV, San Francisco; WCAU-TV, Philadelphia, thru Guild, Bascom & Bonfigli Adv., San Francisco . . . Among other advertisers currently reported using or preparing to use TV: Fisher Bros. Co. (Fisher foods), thru Griswold-Eshleman Co., Cleveland; Glenwood Range Co. (ranges, washers, refrigerators), thru John C. Dowd Inc., Boston; Drake America Corp. (food importers), thru Colman, Prentis & Varley, N. Y.; G. R. Kinney Co. (Educator footwear), thru Gordon Baird Associates, N. Y.; Apple Distillers Ltd. (Apple Vat 36), New York, thru Ben B. Bliss Inc., N. Y.; U. S. Fifth Army (recruiting), thru Schoenfeld, Huber & Green Ltd., Chicago; Oakite Products Inc. (cleaners), thru Calkins & Holden, Carlock, McCilton & Smith, N. Y.; Parsons Ammonia Co. (Parsons' Sudsy ammonia), thru Brisacher, Wheeler & Staff, N. Y.; Boyer Bros. Inc. (Mallo-Cup candy bar), thru Hening & Co., Philadelphia; General Foods (Post Krinkles), thru Foote, Cone & Belding, Chicago; Southern Biscuit Co., thru Lindsey & Co., Richmond; National Textile & Chemical Laboratory (Perma Starch), thru Henri Hurst & McDonald, Chicago; Prince Macaroni Mfg. Co., thru H. C. Rossi Adv., N. Y.; Seapak Corp. (frozen seafoods), thru Gordon Baird Associates, N. Y.

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"TV Heaven," where video fan Virgil H. Ruppenthal pulls in 15 TV (and 60 FM) stations, was subject of Feb. 11 illustrated Sunday AP feature. "Heaven" is \$10,000 "shack" built by Cumberland juke-box distributor Ruppenthal atop Dan's Rock (elev. 3000 ft.), highest point in western Maryland. Where co-channel interference occurs, Ruppenthal brings in the station he wants by means of directional antennas placed on opposite sides of a boulder, which blocks out unwanted signals. He claims perfect reception on 6 channels, with other 9 giving "perfect reception only about 95% of the time." Ruppenthal's "Heaven" is about 190 air miles from Philadelphia, 170 mi. from Wilmington, 160 mi. from Richmond, 135 mi. from Lancaster, 130 mi. from Baltimore, 100 mi. from Washington, 85 mi. from Pittsburgh, 50 mi. from Johnstown. FCC last year ran 400 mc. tropospheric tests from Dan's Rock.

Criticizing Big Ten TV ban, Ohio House of Representatives Feb. 14 passed 39-36 resolution demanding Ohio State U permit televising of all football—at home and away.

Telecasting Notes: Films "actively booked in the past year" by theatres are to be sponsored on KLAC-TV, Los Angeles, by Hoffman Radio Corp. Among them: *The Macomber Affair*, with Gregory Peck, Joan Bennett, Robert Preston; *Girl from Manhattan*, with Dorothy Lamour, Charles Laughton, George Montgomery; *The Crooked Way*, with John Payne, Ellen Drew, Sonny Tufts; *The Chase*, with Robert Cummings, Michele Morgan, Peter Lorre . . . Daytime New York Yankee games, Ballantine-sponsored, will be carried by both WABD and WPIX, but only by latter at night—DuMont having night time network commitments. WPIX has 5-year contract to carry games, beginning next year, since DuMont dropped option. WPIX will also carry Giants (Chesterfields) for third consecutive year . . . Charles-Walcott fight, in Detroit March 7, 10 p.m., will be sponsored on CBS-TV by Pabst, which did same for Charles-Louis fight in September and LaMotta-Robinson bout Feb. 14 . . . Hooper plans expansion to "all major cities" of city-by-city TV & radio program ratings, giving monthly reports, most ready by October . . . Interchange of ideas by 14 southern TV stations, via monthly confidential letters, is proposed by Lee Ruwitch, WTVJ, Miami. Similar plan is used by Assn. of Independent Metropolitan Stations (AM) . . . Two new studios, one with model kitchen, have been completed by WTMJ-TV, Milwaukee, as part of \$200,000 expansion program. Station now has 4 studios and will soon finish 2-story, 86x35-ft. addition which is to be used for TV scenery storage . . . Telecasts of Kefauver Committee hearings on crime in Detroit last week, over WWJ-TV and WJBK-TV, had bartenders reporting attendance rivaling that achieved by World Series . . . Orpheum Theatre, Los Angeles, is picking up regular 10 p.m. TV newscast from KLAC-TV, projecting it on screen via theatre-TV equipment; commercials remain . . . Novel survey by New York's WOR-TV comprises station breaks asking viewers to write in and express AM preferences—what they'd like to hear on radio and when . . . KTSL, Los Angeles, Feb. 20 raises base hourly rate from \$600 to \$900, one-minute announcements from \$120 to \$190 . . . WCAU-TV, Philadelphia, March 1 raises base rate from \$900 to \$1200, announcements from \$150 to \$220.

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TV film will be \$10,000,000 business in New York area alone this year, in opinion of Robert L. Lawrence, v.p. of Jerry Fairbanks' East Coast branch, while Fairbanks himself ventures the belief that 1200 hours of TV film will be shot this year—twice output of entire Hollywood movie industry. TV's appetite for film, even with mere 107 stations, is well-covered in Feb. 12 *Newsweek* which illustrates success of films by pointing out that *Amos 'n' Andy* will start (June, CBS-TV) on film, that *Fireside Theater* (NBC-TV) is third most popular TV show, that Groucho Marx (NBC-TV) gains greatly in film editing, etc. Such successes, magazine says, have even encouraged some to deprecate need for coast-to-coast networks. But growth of films-for-TV has been rough: "Since the TV Neanderthal days of 1946, upward of 800 promoters had tried to set up the business of making TV film. Most of them had closed up shop with the first rent bill. For movies made by Hollywood standards were at first more expensive than live shows."

Denver-San Francisco microwave link of AT&T's transcontinental TV-telephone network, comprising 37 stations, is now under construction. AT&T reported that whole Omaha-San Francisco hookup should be ready for telephone by summer, for TV late this year. Stations average 32 miles apart in last leg, with highest on 10,000-ft. Mt. Rose, near Reno.

TRADE WARY OF CONSERVATION PUBLICITY: TV merchandisers are getting apprehensive at publicity given Philco and RCA "conservation" sets.

Most news stories carried words like "austerity" and "ersatz," left worried frowns on brows of retailers. They're afraid public, which reads while it runs, will shy away from such sets, make it that much more difficult to sell.

But, from one large distributor, who went through World War II selling refrigerators, ranges, whatever appliances he could get his hands on, comes these reassuring words:

"If they haven't got TV and want it, it doesn't make the slightest bit of difference what the set looks like or what's inside. They'll buy, as long as the picture is good."

Same man made another observation on subject of material-saving sets. It's possible, he thought, that big manufacturers may have to take a back seat for a short spell -- when they've sold out their pre-conservation models. The public, he figures, will go for "pre-war" sets, will begin buying off-brand names.

But, as soon as all manufacturers are on same "conservation-savings" footing, back will come public for brand name.

APRIL 1—CONSERVATION DEADLINE: Fruits of the laboratory and drawing board -- conservation of critical materials -- will be harvested at the TV-radio marketplace in heavy measure beginning April 1.

Electrostatically-focused picture tubes (Vol. 7:1,3-7) will be heart of new product turned out by industry's giants, RCA and Philco, starting in April. Both companies have announced this, along with other substantial material-saving measures already taken or about to be adopted (see special Conservation Report, herewith).

While practically all TV-radio firms have taken big steps in past 6 months to slash use of scarce items, most have chosen to do their conservation work in silence, lest "austerity" publicity backfire in wave of consumer resistance. Although both Philco and RCA have emphasized that conservation won't degrade set -- indeed, Philco demonstration helped bear out contention that new set is improvement -- stories in newspapers and even trade press have made public "ersatz" conscious.

Good example of "silent approach" is General Electric, which revealed -- after Philco announced last week (Vol. 7:7) its forthcoming sets would be transformerless -- that GE has used similar selenium rectifier-voltage doubler circuits in lieu of power transformers in its TV sets for more than 2 years.

General Electric told its district managers this week that GE's "continuing program of simplification...conforms with NPA recommendations that TV-radio manufacturers reduce the use of critical materials required for defense needs.

"Recent trends in the industry toward the development of transformerless chassis, and the statements that these sets appear to give better performance," the GE memo says, "point up the fact that GE pioneered the development of such a set more than 2 years ago, and has been making refinements continuously, based on field experience with the simplified circuits.

"Today's [GE] chassis, compared to a conventional transformer-type receiver of our design, uses 37% less copper and 78% less silicon steel...Further studies in this direction are continuing, and look promising."

Practically every set on the market today is a "conservation model" -- in the sense that it uses less of the critical metals than its counterpart did 6 months ago. Three months from now, the industry's product will use even less, a large proportion using electrostatically-focused picture tubes.

Three big tube makers, and probably others, are now ready to produce new

type CR tubes. DuMont and RCA are on verge of production, can start any time -- and both feel that entire industry will switch to electrostatics during second or third quarter. Sylvania, getting set for electrostatic production, expects more than half its picture tube output during second quarter to be electrostatic.

With new NPA restrictions on durable goods industries going into effect in second quarter (see p. 1), April 1 should be target date for maximum conservation effort. After that date, the more material a manufacturer saves per set the more sets NPA will let him turn out.

HIGHER PRICE LEVELS SEEN UNAVOIDABLE: Prices can go only one way -- up. Every factor in sight prompts industry's ablest merchandisers to that conclusion, despite fact today's prices are already 35% greater than those of last summer and fall. Many top producers agree with Crosley's savvy William Brees, who addressed San Diego appliance meeting last week and stated flatly:

"TV receivers are going to retail around \$400 instead of \$199 or \$249, and it's going to be extremely difficult to sell them. We are never going back to cheap stuff." Here's reasoning of the market experts:

(1) Prices go up when volume goes down, and materials limitations can't help but cut volume, despite even most ingenious conservation measures.

(2) Costs of labor and materials are going up -- no doubt of that.

(3) Excise tax increase is almost a certainty -- even though it may not be full 15% hike recommended by Treasury Dept.

(4) Conservation-substitution measures mean higher production costs, despite use of less materials -- more labor, more processing. As one manufacturer puts it: "You have to do it the hard way."

And forthcoming govt. price controls, they say, just won't hold the line at present levels.

Meanwhile, business is good. Manufacturers continue producing at high rate, distributors taking all they can get, retailers selling well -- few serious kicks.

DuMont's January sales were 33% above same month last year, Dr. Allen DuMont told New York Security Analysts this week. Later, he told us January sales were "slightly above" December, his best 1950 month.

Hoffman Radio's H. Leslie Hoffman ventured that production will be 20-25% greater, through July 1, than corresponding 1950 period. But after that, he said in speech at San Francisco Winter Market last week, look for a radical drop. He foresaw 4,000,000 sets for year. We know another, more sanguine manufacturer who feels certain TV output will reach 5,500,000 this year.

Radio production will suffer even more, Hoffman predicted, since he expects more and more manufacturers to concentrate critical materials on TV. He has already entirely eliminated radio production, himself.

How near right they are may best be judged by set production for second week of February (ending Feb. 9), reported by RTMA: TVs 154,774 (4853 private brand), radios 322,300 (198,700 home, 104,284 auto, 19,316 portable). This compares with first February week's 167,315 TVs, 322,855 radios (Vol. 7:7). Yet second February week includes 4 days lost by Philco, one by Admiral, due to rail strike. Year's total TVs to Feb. 9: 961,265.

Labor doesn't like excise tax hikes, proposed by Treasury Dept. (Vol. 7:6). Officials from AFL, CIO, UEW, appearing before House Ways & Means Committee this week, told congressmen excise tax fell most heavily on low income groups, plumped for increased corporation taxes. Meanwhile, RTMA tax committee was named, comprising following in addition to A. M. Freeman, RCA, chairman: Max Balcom, Sylvania; T. M. Blake, Littelfuse; John W. Craig, Crosley; J. J. Frendeis, Hallicrafters; B. L. Graham, DuMont; Raymond Herzog, Emerson; G. Richard Fryling, Erie Resistor; S. Kaplan, Zenith; George R. MacDonald, Motorola; R. E. Norem, GE; W. Myron Owen, Aerovox; Maurice G. Paul Jr., Philco; John S. Sturgeon, Magnavox.

Trade Personals: Howard Halbert, secy. of Kaye-Halbert, has resigned, with his stock interests being repurchased by corporation. Mr. Halbert's future plans are indefinite . . . Rinaldo DeCola named director of engineering for Admiral, succeeding Robert Jones, on leave of absence in Arizona . . . Charles R. Lunney, ex-Westinghouse Electric Supply Co., named asst. advertising mgr., Belmont (Raytheon) . . . GE electronic dept. engineers Kenneth Fowler and Harold B. Lippert, together with 5 others got Charles A. Coffin awards for work of outstanding merit during 1950; Fowler and Lippert got award for text of TV service course . . . Harry Van Rensselaer, sales mgr., electronic parts div., DuMont, recalled to duty with Air Force.

Topics & Trends of TV Trade: Industry probably couldn't sell 10,000,000 TV sets this year, even if it could make them, according to market analysis by top-level National Industrial Conference Board in current issue of its *Business Record*. Economist Shirley S. Hoffman reasons:

"If the TV cutback should be 35%, a rough average of the estimates, there will be about 5,000,000 sets made this year. There are about 26,000,000 families within range of TV service today. Since the FCC freeze [is] still in force, it is unlikely that the market could be expanded in 1951.

"About 10,500,000 of these families now own sets. That leaves about 15,500,000 who still have not bought a TV set. However, a sizeable proportion of these families may not be able to buy sets at current prices [and many] live in areas where there is only one station telecasting a limited number of programs . . .

"Even in the heavily populated metropolitan areas having a relative abundance of TV programs, there are many families that are nevertheless disinterested in a set. Credit controls are also pulling some potential buyers out of the market.

"So, of the 15,500,000 families within telecasting range who still have not been 'sold,' a good many are not in the market to buy sets either because they cannot afford one or are not interested. All things considered, an output of 5,000,000 sets, together with a portion of retailers' and manufacturers' stocks, which total about 1,000,000, might satisfy a substantial segment of this year's demand."

Note: Foregoing reasoning is clear enough, but 35% cutback figure seems plucked out of hat, replacement and second-set market is entirely ignored, and estimating "those who can't afford" and "those disinterested" among non-set owners would be sheer guesswork.

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Because it found itself overpriced in today's market, Crosley Feb. 21 cut prices of 11 TV sets from \$40 to \$60 each. Prices include excise and warranty, as did previous lists. Sets affected include 16-in. round console, cut from \$399.95 to \$359.95; 17-in. console, from \$409.95 to \$369.95; 19-in. console, half-doors, from \$519.95 to \$479.95. New 20-in. sets will replace 19-in. models, but prices remain same.

Majestic distributors and dealers ordered \$12,000,000 worth of TV-radio at last week's meeting in New York, according to president Leonard Ashbach. He said sets would be delivered over next 4 months, that sufficient materials and facilities were available to handle orders.

Paradox of excellent TV trade is distress selling here and there (Vol. 7:7). New York's Vim chain, in *New York Times* Feb. 18, advertised 16-in. table model at \$150, 19-in. console \$200. Ad also showed 10-in. console \$80, 12½-in. table \$140.

Trade Miscellany: Frank A. D. Andrea, veteran TV-radio manufacturer, subject of "Business and Finance Leaders" personality sketch in Feb. 13 *New York Herald Tribune* . . . Air King appoints Bennett, Walther & Menadier Inc., New York, as ad agency handling its TV-radio and wire recorder lines . . . DuMont launches 2-month ad campaign in 8 national magazines, in newspapers in 34 major TV areas, in trade papers, cued to distributor-dealer drives, thru Campbell-Ewald . . . Sparton running 4-color page ads in *Saturday Evening Post & Collier's*, beginning in March, running through 1951.

Sales of retail TV-radio & household appliance dealers zoomed to record \$3,493,000,000 last year, 25% greater than previous high, in 1949, Census Bureau reports in monthly *Trends in Electrical Goods Trade* for December 1950. War-buying wave in August made it biggest month — \$386,000,000. December's \$358,000,000 was 33% over November, 2% over December 1949.

Financial & Trade Notes: DuMont sales for 1950 topped \$75,000,000, Dr. Allen B. DuMont revealed Feb. 20 in talk to New York Society of Security Analysts. This compares with \$45,267,000 sales in 1949. Net was about \$7,000,000 (\$3 a share), more than double 1949's \$3,269,880 (\$1.49). DuMont Television Network losses in 1950 were \$400,000 less than those in 1949, Dr. DuMont reported. Working capital at end of 1950 was \$17,200,000, net worth \$23,000,000.

Federal income and excess profits tax absorbed about 48½% of pre-tax net income of \$13,500,000, he said. Under present law, 1951 taxes would amount to about 58½% of income before taxes. Dr. DuMont said company's excess profits tax would have been about \$1,250,000 more if it weren't for growth clauses in excess profits tax law (Vol. 6:43-52). Company's excess profits tax credit is above \$8,000,000 before regular corporation taxes, he said.

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Allied Electric Products Inc., including CR tube manufacturing subsidiary, Sheldon Electric, reported sales of \$6,502,451 for 6 months ended Dec. 31 vs. \$1,571,140 for same 1949 period. Net earnings were \$552,634 (84¢ on 625,141 common shares) vs. \$34,490 (7¢ on 500,000 shares).

Kaye-Halbert reports net income of \$147,678 (48¢ per share) for 3 months ended Dec. 31. No comparable 1949 figures are available.

Arvin Industries, in preliminary report, shows 1950 net profit of \$3,605,126 (\$4.04 per common share) vs. \$3,093,840 (\$3.47) in 1949.

Dividends: Westinghouse, 50¢ payable March 1 to holders Feb. 13, up 10¢ over 1949 quarterly rate; Stromberg, 50¢ payable April 1 to holders March 10; CBS, 40¢ payable March 9 to holders Feb. 23; Hytron, 10¢ payable March 15 to holders Feb. 28; Bendix Aviation, 75¢ payable March 31 to holders March 10; Magnavox, 37½¢ payable March 15 to holders Feb. 26, Class A preferred 25¢ payable March 1 to holders Feb. 15; Philco, regular quarterly 40¢ on new split shares, payable March 12 to holders March 1 (equivalent to \$1.60 per share on annual basis) and 93¾¢ on preferred 3¾% Series A stock, payable April 1 to holders March 15; Cornell-Dubilier, 20¢ common, payable March 28 to holders March 20, and \$1.31¼ preferred quarterly, payable April 15 to holders March 20; Webster-Chicago, 25¢, payable March 20 to holders March 10; Hazeltine, 25¢ payable March 15 to holders March 1; Sprague Electric, 50¢, payable March 14 to holders Feb. 28; Wells-Gardner, 15¢, payable March 15 to holders March 1; DuMont, 25¢ on Class A & B common, payable March 26 to holders March 12, and 25¢ preferred quarterly, payable April 1 to holders March 15.

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Plant expansions: Hallicrafters has exercised \$225,000 purchase option on building at Tripp & Arlington, Chicago, which it has leased and occupied since Jan. 1, 1950 . . . Kaye-Halbert has acquired new plant at 5037 Exposition Blvd., Los Angeles, its fifth building . . . Hoffman Radio has purchased 40,000 sq. ft. building adjoining its TV plant on Avalon Blvd., Los Angeles, plans centralizing all TV production shortly . . . Magnavox, nearing completion of \$400,000 expansion of plant in Greeneville, Tenn., shortly starting 20,000-sq. ft. addition to Fort Wayne factory costing \$350,000 . . . GE plans new \$15,000,000 plant in Utica for military equipment, 338,000 sq. ft. on 50-acre site, to employ about 2500; GE is also leasing 120,000 sq. ft. former Utica & Mohawk Cotton Mills 4-story building.

Prices of Macy's private label Hyde Park TV sets, during week of dept. stores' TV & Music Festival, are being advertised as follows: 16-in. console, doors, \$269; 19-in. console \$299, with doors \$349. All have round picture tubes.

Mobilization Notes: Contractors met subcontractors by the hundreds at Air Force's New York procurement exhibit this week (Vol. 7:7). Twenty-seven manufacturers, who have total of more than 300 Air Force contracts valued at \$250,000,000, displayed equipment and parts they need from subcontractors—who are expected to turn out more than 60% of total value. Because more than 3500 visitors registered at exhibit, Air Force decided to continue display for another week at 67 Broad St., and to plan similar exhibits in Boston, Chicago, Detroit, Fort Worth and Los Angeles. Among New York exhibitors prominent in electronics manufacture:

Bendix Radio, seeking facilities for aircraft radio and radar subassemblies.

Philco, seeking subcontractors to manufacture ceramic, plastic, sheet metal parts and transformers, resistors, plugs and jacks, capacitors, nuts and bolts, screws, copper piping, as well as small machine production.

RCA, seeking screw machine capacity, cable harnesses, specialized machines and parts.

Other electronic manufacturers seeking subcontractors at the exhibit: Avco, Espey, Weston Electrical Instrument, Specialty Assembling & Packing Co. (radios).

Six additional manufacturers will join New York display next week. They include Federal Telephone & Radio Corp. and several aircraft firms seeking electronic devices and subassemblies. Influenza outbreak may prevent RCA from continuing its exhibit next week.

Rep. Abraham Multer (D-N. Y.), attending the exhibition Feb. 23 for House Small Business Committee, said he would recommend similar "clinics" for Army and Navy prime contractors.

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TV-radio price controls will be administered by Lee McCanne, Stromberg-Carlson v.p. He's due in Washington Feb. 27 to confer with OPS officials about heading up TV-radio section, Housewares & Accessories Branch, Consumer Durables Div. New appointments in other mobilization agencies: Edward William Glacy, ex-GM engineering executive, ex-Navy Lt. Comdr. in charge of special projects (guided missiles, underwater weapons etc.), ex-Bureau of Standards, holder of 12 electronic and mechanical patents, now directing conservation activities for NPA's Electronic Products Div. . . . Dean O. Bowman, ex-Commerce Dept. asst. director of Office of Industry & Commerce, named Assistant NPA Administrator in charge of newly-created Policy Coordination Bureau . . . Carl W. Gabel, ex-Emerson Electric, appointed Director of Civil Defense Administration's Facility Self-Protection Div.

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Copper stockpiling has been cut 50% by Munitions Board, Rep. Patterson (R-Conn.) was told Feb. 15 by Munitions Board chairman John Small. He said reduced rate of stockpiling will continue indefinitely, subject to review every three weeks, and "should materially assist the industries suffering from inadequate supplies of copper."

Trouble for electron tube industry looms if tungsten supply situation is not eased soon, filament wire makers advised NPA Feb. 20. Some 75% of U. S. tungsten supply has been cut off with loss of Far Eastern sources. Among industry representatives meeting with NPA were: J. B. Merrill, Sylvania; Jack Gelok, Westinghouse; W. P. Kiernan, Elmet Div., North American Philips.

Lead and antimony, important ingredients in solder, Feb. 16 were placed under inventory controls in NPA Orders M-38 and M-39. Orders limit inventories of the 2 metals or materials containing the metals to 60 days' supply or a "practical minimum working supply," which ever is less.

Copper and zinc—scarce metals essential to many electronic parts—will probably substitute for nickel-bearing chrome-plated stainless steel, which is even scarcer, to keep new autos resplendent with glittering trim this summer, Ray Vicker reports in Feb. 23 *Wall Street Journal*.

Concern over supply of Kovar, a cobalt alloy essential to manufacture of power tubes for broadcast, industrial and X-ray uses (Vol. 6:47), was expressed by members of X-Ray Equipment & Accessories Industry Advisory Committee, meeting Feb. 19 with NPA officials. Committee members said frequent production bottlenecks due to lack of small components—such as resistors, relays and circuit breakers—threaten to delay X-ray equipment production. GE, Westinghouse and Machlett Laboratories are among 9 firms represented on committee.

Munitions Board is publishing *Munitions Board Progress Reports*, a periodic review of unclassified information concerning military procurement and production programs of interest to industry. You can get on list to receive *Reports* by sending request to Munitions Board, Progress Reports Div., Pentagon, Washington 25, D. C.

To encourage exploration for strategic minerals by private firms, \$10,000,000 has been allocated by Defense Production Administration. Exploration program will apply to these electronically-important metals, among others: Antimony, chrome, cobalt, columbium, copper, lead, mercury, mica, miscellaneous ferro-alloy ores, molybdenum, nickel, tungsten, zinc. In another development relating to materials, Magnetic Metals Co., Camden, N. J., manufacturers of magnets and magnet cores for electronics-communication equipment, announced expansion of its plant to provide 15,000 sq. ft. additional floor space and permit production at 6½ times pre-Korean level. Approximately 40% of firm's business is now defense.

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Among unclassified military contracts for electronics and related equipment (more than \$100,000) announced by Commerce Dept. for 2 weeks ending Feb. 21: Through Signal Corps, Philadelphia—Federal Telephone & Radio, \$8,686,327, transmitting and receiving equipment and tubes; Emerson, \$4,617,927, radios, detector sets; J. & H. Smith Mfg. Co., New York, \$1,952,014, antenna equipment; Presto Recording Corp., \$1,808,562, sound locating sets; ARF Produces, \$1,659,500, radio relays, signal generators (Motorola is subcontractor); Hallcrafters, \$1,250,000, radios; GE, \$1,000,000, rawin sets (meteorological); Rauland Borg, \$800,000, radio terminal sets, relay sets, transmitters; Raytheon, \$688,710, radios, tubes; Barker & Williamson, \$500,000, radios; Molded Insulation Co., \$128,843, radiosondes; Westline Electronics, Los Angeles, \$136,940, crystal units; Service Corp. of America, New Hyde Park, N. Y., \$247,500, radio sets; Triplett, \$472,313, tube testers; Midland Mfg. Co., Kansas City, \$100,000, crystal units; Radiomarine Corp., \$130,000, radios; Sylvania, \$268,000, tubes; Chatham Electronics, \$188,000, thyatron tubes; Machlett, \$132,000, thyatron tubes; RCA, \$211,748, power supplies, repair of radios; Minshall Estey Organ Inc., Brattleboro, Va., \$100,000, public address sets; Johnson Service Co., Milwaukee, \$572,400, radiosonde modulators; Garod (Majestic-Wilcox-Gay), \$100,000, radiosondes; Lewyt, \$300,000, radios; Tele King, \$400,000, radios; Espey, \$300,000, radio relay sets; W. L. Maxson (Langevin), \$200,000, power supplies; Crosley, \$400,000, radios; Kollman Instrument, \$100,000, radiosondes (increase in unit cost); Brunswick Radio & TV, \$150,000, control boxes; Cornell-Dubilier, \$150,000, power supplies. Through Navy Electronic Supply Office, Great Lakes, Ill.—Raytheon, \$901,150, tubes. Pacific Mercury TV Mfg. Co. announced \$731,105 in military contracts for glide-path receivers.

NAB-TV needs 75-80 stations to meet \$150,000 budget, under dues structure evolved at board meeting Feb. 19 in New York, has pledges from 57 already. Monthly dues were set at station's highest published 5-min. rate—or half of 15-min. rate if station has no 5-min. scale. Dues for networks are flat \$100 per month. Board hired Thad H. Brown, son of late FCC comr., member of Washington law firm of Roberts & McInnis which represents TBA, on full-time basis as counsel. Following committee was named to hire \$35,000 a year general mgr.: George Storer, Fort Industry, chairman; Harry Bannister, WWJ-TV; Clair McCollough, WDEL-TV & WGAL-TV; Campbell Arnoux, WTAR-TV; Paul Raibourn, KTLA (Paramount). Meanwhile, industry music committee, headed by Dwight Martin, Crosley, is trying to get ASCAP to reopen negotiations on per-program license terms. ASCAP terminated talks last December (Vol. 6:50), said then it was sending contracts to stations, but none has received them as yet.

* * * *

Bell Labs able Axel Jensen, chief TV researcher, says war has put color "back in the laboratory again," doubting whether manufacturers would be able to get materials for color. Therefore, he said, in talk at U of Buffalo this week, if research is "allowed to go on a little longer, it may be possible to come up with a system superior to anything we have at present."

Reporting on its color tube patents, Sightmaster announced that tube-maker Zetka paid \$250,000 for "the right to purchase an interest in Sightmaster Corp.'s patent position." It also says RCA and others are negotiating for use of patents said to permit greater brightness in color tube.

Latest CBS "road show" color demonstrations: In New Orleans, Municipal Auditorium, Feb. 28 & March 2, in connection with meeting of affiliates advisory board, prior to March 5-8 medical showings; in New York, Feb. 22-25, at 71st Reg. Armory, for National Photographic Show.

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Looks like Petrillo-network contract (Vol. 7:5-7) may be settled next week. Compromises will be in order on most issues, but troublesome question of film and kinescope use may not be settled for a while. In fact, many observers feel it may have to wait until new agreement between AFM and motion picture producers is worked out; union's contract with Hollywood runs out Aug. 31.

Two TV-radio legal snarls are being analyzed by Washington attorney Harry P. Warner. Writing in summer and fall issues of Washington U (St. Louis) *Law Quarterly*, he concludes that rights to program content will be protected through common law or statutory copyright, rather than through law of unfair competition which courts have employed so far. This fall, Warner expects to have published *The ASCAP Story*, history of the organization and music rights in general.

Latest TV "scenery saver" is device called "Vista-scope," French invention to which movie producer Sol Lesser has obtained rights. It's a box, containing scenic photograph, fitted to front of camera lens. Photograph is cut out so that actors, on whom camera is focused, appear to be surrounded by scenery.

Navy's reserve training program over New York's WOR-TV, started last Oct. 10, proves that "a well presented lesson over TV is more effectively absorbed than the same lesson presented by the usual classroom method of teaching." That's conclusion of Capt. D. D. Hawkins, in Feb. 18 *New York Times* article. Program also proves, he says, that "instructors are going to have to learn to be TV actors, or actors will have to turn instructors, if TV is going to do much teaching." Navy tested 65 people before finding right instructor.

Closed session between FCC and House Interstate & Foreign Commerce Committee to discuss legislation (Vol. 7:7) seemed to elicit little, although FCC again tendered proposed reorganization bill it prefers to McFarland bill (Vol. 7:4, 6). Commission proposal is about same as bill issued as Committee Print No. 1 last year (Vol. 6:31), but never introduced. Commission hadn't anything new to say about freeze, color, educational TV. Much time was spent explaining NARBA details to Committee.

Changes in Communications Act, suggested by Senate Interstate & Foreign Commerce Committee, to replace S. 537, electromagnetic radiation control bill advocated by Defense Dept. (see story p. 2), read as follows—new language in italics: "Sec. 606(c). Upon proclamation by the President that there exists war or a threat of war, or a state of public peril or disaster or other national emergency, or in order to preserve the neutrality of the United States, the President, *if he deems it necessary in the interest of national security or defense*, may suspend or amend, for such time as he may see fit, the rules and regulations applicable to any or all stations *or devices capable of emitting electromagnetic radiations* within the jurisdiction of the United States as prescribed by the Commission, and cause the closing of any station for radio communication, *or any device capable of emitting electromagnetic radiations between 10 kilocycles and 100,000 megacycles*, and the removal therefrom of its apparatus and equipment, or he may authorize the use or control of any such station *or device* and/or its apparatus and equipment, by any department of the government under such regulations as he may prescribe upon just compensation to the owners."

* * * *

Resignation of Murray Grabhorn, ABC v.p. in charge of O & M stations, sparked these changes: Otto Brandt, v.p. for TV station relations, now has supervision over all owned TV stations, plus national spot and local TV sales. Richard R. Rawls, regional mgr., promoted to mgr. of TV stations dept., reporting to Brandt. On program side, Burke Crotty, executive TV producer, named asst. national director of TV program production; William Phillipson, attorney, named asst. director TV programming and operations (handling negotiations, contracts, etc.); James S. Pollak, ex-Souvaine Co. and WPIX, named program mgr., WJZ-TV. All report to Alexander Stronach, ABC v.p. in charge of TV programs. Other changes include appointment of James Connolly, radio stations relations v.p., in charge of all owned radio stations and national spot and local sales; William Wylie, mgr., radio stations dept.

Civil defense contributions of stations, growing rapidly, include: Sponsorship of March 6 session on *TV's Role in Civilian Defense* by Detroit's TV Council (formerly Round Table), featuring talks by Jesse Butcher, chief of audio-visual section, Civil Defense Administration; Col. Edward Kirby, chief of TV-radio branch, Army information; Col. Lawrence Wilkinson and Brig. Gen. Clyde Dougherty, of New York and Detroit civil defense agencies, respectively. One-time program by Louisville's WHAS-TV drew such response that it grew into series comprising films, interviews, etc. New York's WCBS-TV, Feb. 26 starts *Self Preservation*, "course of action for the housewife and her family," daily for 3 weeks, with assistance of Civil Defense and Red Cross officials. Baltimore's WAAM March 3 carries *Your Atomic Future*, featuring atomic scientist and city school civil defense training director.

Anxious about TV's impact, radio documentary writer Robert Lewis Shayon has written new book, *Television and Our Children*, in which he terms children's viewing excessive, puts blame on adults, places faith in "listener council movement," plumps for educational TV stations.

NBC Count of TV Sets-in-Use by Cities

As of February 1, 1951

Note: Estimates are by NBC Research for network use only, based on NBC affiliates' coverage to .1 Mv/m contours. Coverage of families is calculated on a net basis, with duplication removed. For individual station coverage, which in most cases exceeds these figures, consult station.

January TV set sales totaled 593,000, lowest since last August's 587,700, bringing grand total of sets-in-use to 11,142,500 as of Feb. 1, according to NBC Research's monthly "census" report released this week. NBC adjusted some of its family estimates since it began using new basis for TV set count (Vol. 7:3); total families covered by TV signals now amount to 26,495,700. For Los Angeles, 13,600 families were added; for Wilmington, 28,800 families were added, all from Philadelphia and Baltimore.

Interconnected Cities

| Area | No. Stations | No. Families | No. Sets |
|-----------------------------|--------------|-------------------|------------------|
| Ames (Des Moines) | 1 | 195,200 | 42,000 |
| Atlanta | 2 | 311,300 | 91,500 |
| Baltimore | 3 | 461,600 | 273,000 |
| Birmingham | 2 | 252,400 | 42,200 |
| Bloomington, Ind. | 1 | 49,300 | 14,300 |
| Boston | 2 | 1,084,000 | 674,000 |
| Buffalo | 1 | 309,400 | 182,000 |
| Charlotte | 1 | 330,800 | 56,600 |
| Chicago | 4 | 1,668,400 | 840,000 |
| Cincinnati | 3 | 432,600 | 228,000 |
| Cleveland | 3 | 804,800 | 423,000 |
| Columbus | 3 | 327,300 | 129,000 |
| Davenport-Rock Island | 2 | 205,100 | 44,700 |
| Dayton | 2 | 275,500 | 114,000 |
| Detroit | 3 | 907,200 | 419,000 |
| Erie | 1 | 84,800 | 42,300 |
| Grand Rapids | 1 | 194,500 | 73,900 |
| Greensboro | 1 | 162,100 | 49,800 |
| Huntington | 1 | 187,500 | 35,300 |
| Indianapolis | 1 | 390,200 | 106,000 |
| Jacksonville | 1 | 113,800 | 27,000 |
| Johnstown | 1 | 310,100 | 68,100 |
| Kalamazoo | 1 | 153,700 | 33,400 |
| Kansas City | 1 | 471,900 | 101,000 |
| Lancaster | 1 | 215,900 | 80,600 |
| Lansing | 1 | 206,900 | 42,500 |
| Louisville | 2 | 256,400 | 78,600 |
| Memphis | 1 | 269,900 | 75,100 |
| Milwaukee | 1 | 373,600 | 213,000 |
| Minneapolis-St. Paul | 2 | 452,900 | 238,000 |
| Nashville | 1 | 205,700 | 28,000 |
| New Haven | 1 | 515,400 | 137,000 |
| New York | 7 | 3,887,000 | 2,145,000 |
| Norfolk | 1 | 204,200 | 55,700 |
| Norfolk | 2 | 217,600 | 60,700 |
| Omaha | 2 | 1,343,900 | 789,000 |
| Philadelphia | 3 | 1,343,900 | 789,000 |
| Pittsburgh | 1 | 729,200 | 222,000 |
| Providence | 1 | 406,100 | 130,000 |
| Richmond | 1 | 133,700 | 62,900 |
| Rochester | 1 | 216,700 | 73,400 |
| Schenectady | 1 | 322,500 | 140,000 |
| St. Louis | 1 | 567,700 | 254,000 |
| Syracuse | 2 | 205,200 | 101,000 |
| Toledo | 1 | 300,100 | 78,000 |
| Utica | 1 | 124,100 | 36,000 |
| Washington | 4 | 450,600 | 234,000 |
| Wilmington | 1 | 135,400 | 57,800 |
| Total Interconnected | 80 | 21,424,200 | 9,442,400 |

Non-Interconnected Cities

| | | | |
|--|------------|-------------------|-------------------|
| Albuquerque | 1 | 36,400 | 7,400 |
| Binghamton | 1 | 84,100 | 32,700 |
| Dallas | 2 | 369,800 | 105,000 |
| Fort Worth | 1 | 307,500 | 65,200 |
| Houston | 7 | 1,537,800 | 835,000 |
| Los Angeles | 1 | 154,600 | 52,500 |
| Miami | 1 | 257,700 | 49,500 |
| New Orleans | 1 | 239,000 | 73,400 |
| Oklahoma City | 1 | 89,600 | 30,200 |
| Phoenix | 2 | 83,700 | 37,500 |
| Salt Lake City | 2 | 157,000 | 39,700 |
| San Antonio | 1 | 182,100 | 81,000 |
| San Diego | 3 | 974,300 | 159,000 |
| San Francisco | 1 | 425,400 | 68,200 |
| Seattle | 1 | 172,500 | 63,800 |
| Tulsa | 1 | | |
| Total Non-Interconnected | 27 | 5,071,500 | 1,700,100 |
| Total Interconnected and Non-Interconnected | 107 | 26,495,700 | 11,142,500 |

Personal Notes: Harrison M. Dunham has resigned as general mgr., KTTV, Los Angeles, no successor yet appointed . . . Theatrical and industrial design expert Benjamin L. Webster appointed asst. to Fred Shawn, NBC-TV director of production services . . . Frank Young, ex-WPIX public relations mgr., joining NBC in special public relations capacity, reporting to public relations v.p. William F. Brooks . . . Joseph A. Chambers, ex-partner, Chambers & Garrison, Washington consulting engineers, joins Motorola military research labs in Phoenix, Ariz., about March 1 . . . Hollis Seavey, MBS coordinator of Washington news and special events, named director of Washington operations for network . . . George Baker, ex-Hughes-Peters Inc., Cincinnati Emerson distributor, joining WLWT, Cincinnati, in charge of hard goods sales . . . Lewis M. Marcy, ex-Advertising Research Foundation, joins NBC as supervisor of sales planning dept., succeeding Lance Ballou Jr., recently named to network's sales staff . . . J. R. Poppele, v.p. and chief engineer of WOR-TV, New York, received Marconi Memorial Medal of Achievement from Veteran Wireless Operators Assn. at New York dinner meeting Feb. 24 . . . Ralph Taylor, KNX-Columbia Pacific network sales promotion mgr., named sales promotion mgr., KTSN, Los Angeles . . . Harry Black, ex-*Televi-ser Magazine*, appointed program director of WXEL, Cleveland . . . Wally Schwentser named engineering supervisor, KMTV, Omaha.

Edward P. Morgan, partner in Washington radio law firm of Welch, Mott & Morgan, ex-counsel Senate subcommittee investigating Reds in State Dept., ex-FBI, named chief enforcement officer of Office of Price Stabilization . . . Arthur R. Treanor, part owner of WOOD, Grand Rapids and WFDF, Flint, to become director of NPA Printing & Publishing Div.

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TV production costs are not out of line with other media costs, asserted Don McClure, McCann-Erickson, at TV-radio seminar Feb. 20 sponsored by Washington Ad Club. Costs can be held within bounds, McClure said, by (a) pre-planned production, (b) every-other-week sponsorship, (c) use of Tele-prompter—which can cut rehearsal costs by 25%, (d) use of latest techniques in filming—such as Vidicam and Multicam processes.

New radios were bought by 17% of TV owners, by 19% non-TV owners during 1950, Dr. Sydney Roslow, The Pulse Inc., told TV-radio seminar in Washington Feb. 20. But, during last 6 months, new radios were bought by 28% of TV owners (placed mostly in bedrooms), and by only 23% of non-TV owners (placed mostly in living rooms), reported Dr. Roslow.

Sunday is best evening for group televiewing, Trendex reports on basis of data from 20 TV cities. In December and January, average of 3.3 persons watched each set Sunday nights, while average number of viewers per receiver for all nights of week was 2.95, according to survey.

First TV application for Mobile, Ala., was filed this week by WKRG, for Channel 5, bringing total on file to 381. Owners are local businessmen Kenneth R. Giddens and T. J. Rester. (For details, see TV Addenda 12-G, herewith.)

More than 80% of TV set owners in the Carolinas also own their own homes, according to survey by WBTV, Charlotte. Other conclusions: 74% of owners live in urban areas; 44% make less than \$5000 a year, 42% from \$5000 to \$10,000 and 13.5% over \$10,000.

"TV snob" is subject of *Printers' Ink* editorial in Feb. 26 issue, which gleefully (but not nastily) makes point that novelty factor wears off rapidly, after which TV viewers turn to other pursuits—like reading newspapers, magazines and books.

Wonder Workers of TV

Conserving Critical Materials -- Two Approaches

Reports on Materials Conservation Programs of RCA and Philco

Offering Full Data to Entire TV-Radio Manufacturing Industry

For News Reports and Comments, see *Television Digest* Newsletters, Vol. 7:6-7

Editor's Note: For some months the industry has been buzzing with reports of amazing savings of critical materials through new techniques in conservation and substitution. So successful have the efforts been, that one of the top govt. mobilizers has said: "These electronic fellows are the most ingenious workers of miracles I've ever seen," and to suggest that other crisis-affected industries might well profit by their example. Two leaders, RCA and Philco, have spelled out their conservation programs, offering their findings to all other manufacturers without restrictions. Philco actually demonstrated a TV receiver that not only saves critical materials but, its developers say, performs better than current models (Vol. 7:7). The following are official reports—Philco's prepared at our request, RCA's taken from its report on 'Conservation of Critical Materials,' sent recently to all set and tube manufacturers (Vol. 7:6):

PHILCO'S REPORT

TWO years ago, the management of Philco Corp. initiated a long-range program of research and engineering development in television. The objective was to develop a TV receiver with improved performance at no increase in price, despite rising costs.

Considerable success had been achieved toward this goal by last summer, when it became apparent that many materials would become scarce because of the national emergency. At that time, the objective of the original program was broadened to include conservation of critically scarce materials.

In recent months, Philco management has emphasized material conservation and accelerated this aspect of the development of a new television chassis design, while continuing to insist on improved performance.

The new Philco TV chassis, which was first demonstrated to officials of the National Production Authority on Feb. 14, 1951, is the culmination of the company's 2-year development program. In this one phase of Philco's extensive over-all research and engineering work in various fields of electronics, refrigeration and thermodynamics . . . in the evolution of this new TV chassis . . . over 100 technically trained personnel took an active part.

The result is an entirely new television receiver, which has proved its superiority in numerous field performance tests, and which also conserves many critically scarce materials.

This report provides essential technical information on this new Philco TV chassis, and also presents the principal savings of scarce materials. Supplementary sections of the report indicate similar materials savings that are being achieved in the design and production of TV picture and receiving tubes, TV installation materials, and automatic record changers.

Before presenting this report on the new TV chassis, however, it should be mentioned that notable savings in critical materials have already been made in current production of TV sets as compared with similar models produced during the latter part of 1950. Such savings as a smaller speaker magnet, smaller and more efficient transformers, lighter-gauge copper hook-up wire, and many other minor changes have made it possible *already* to effect the following conservation of scarce materials:

(Continued on page 4)

RCA'S REPORT

EVER since the outbreak of war in Korea, RCA engineers have been working aggressively to search out every possible means of saving critical materials in the production of television receivers, radios, and other electronic equipment without sacrificing the company's high standards of quality.

Some of our engineering accomplishments, such as the newly designed RCA speakers which reduce alnico content by 70%, brass by 90%, and steel by 35%, and the new RCA electrostatic kinescope which completely eliminates the use of alnico magnets, have already been passed on to the industry. These two RCA developments alone, when fully applied to the industry's television production, will reduce the cobalt content in the average receiver by almost 90%—a savings industrywide of over 300,000 pounds of scarce alnico per one million receivers produced.

Many manufacturers of sets and components have made major contributions in the conservation of scarce metals.

The attached summary of conservation steps already adopted, or to be adopted shortly by RCA, has been prepared for your information. While many of the savings in critical materials listed by our engineers apply to the manufacture of tubes and components, and to the materials used in the installation of television receivers, they nevertheless will be of interest to the industry, because when these conservation steps are applied industry-wide they will save millions of pounds of cobalt, copper, nickel, aluminum, brass, steel, and other metals.

Without these important savings of restricted materials already achieved, our industry could not have attained the relatively high production of TV-radio receivers during the month of January.

I know you will join us in earnestly pursuing this conservation program, not only for the resulting substantial savings in vital metals, but also to demonstrate to our government officials the industry's resourcefulness in this time of emergency. Only by doing everything possible to help itself can the industry feel morally justified in asking the help of Government agencies in supplying sufficient critical materials to permit continued production of peace-time products, which in turn enable us to hold together our technical skills and our trained workers until they are needed to produce electronic equipment for the military services.

(Continued on next page)

Our engineers are continuing their efforts, and as additional methods of conserving scarce metals are developed we will keep you advised. In the meantime, if you have any questions on the conservation program outlined, I invite you to direct your inquiries to Mr. S. W. Seeley, director of our Industry Service Laboratory, 711 Fifth Ave., New York City.

Sincerely,
(s) Frank M. Folsom.

* * * *

Report on Conservation of Critical Materials

The conservation of critical material in the manufacture of receivers, tubes, and material required for installation can be approached from two separate and different viewpoints:

(1) Reduce the use of critical material by reduction of the number of components, thereby reducing the performance and quality of the receiver;

(2) Maintain quality and performance by redesigning components to take full advantage of any new non-critical materials not previously used. Where this is not possible, completely redesign the components and the receiver to use the *minimum amount* of critical material, even though it may be necessary to add components.

RCA engineers are committed to following the second approach. We believe this is imperative in order to produce receivers of highest quality and performance. It is our viewpoint that it would be harmful to the industry to produce TV receivers that would affect conservation of scarce materials at a sacrifice in quality.

We have made important savings of critical material and, at the same time, have continued production of high quality tubes and receivers. This is particularly important in that it permits keeping trained employes who will be needed to design and manufacture armed services equipment when needed.

The following tabulation is a summary of the savings based on production of 1,000,000 receivers. The first column shows savings in present production of 17-inch TV receivers. The second column shows the material savings which we expect will result from the application of electrostatic focused kinescopes to these receivers.

Material Saved Compared to Second Half 1950 Typical 16-17" Television Set

| Material | Pounds saved per 1,000,000 sets, Present Production based on 17" TV set | Pounds saved per 1,000,000 sets—electrostatic focused 17" TV set |
|---|---|--|
| Alnico V Speaker (Saving based on 2.15 oz. magnet 8" table model speaker) | 72,000 lbs. | 72,000 lbs. |
| Alnico V Speaker (Saving based on 3.16 oz. magnet 12" console speaker) | 135,000 | 135,000 |
| Alnico V Focus Magnet (Based on 5 oz. magnets) | ----- | 310,000 |
| Alnico V Beam Bender | 4,400 | 4,400 |
| Steel in 12" Speaker | 142,000 | 142,000 |
| Brass in 12" Speaker | 50,000 | 50,000 |
| Zinc in Focus Magnet | ----- | 310,000 |
| Steel in Focus Magnet | ----- | 500,000 |
| Brass in Focus Magnet | ----- | 22,000 |
| Aluminum—Cup Over Back of Kinescope | 62,000 | 62,000 |
| Brass in Volume Controls | 12,200 | 12,200 |
| Copper-Shorting Band in Power Transformer | 190,000 | 190,000 |
| Copper Hook-up Wire | 47,000 | 47,000 |
| Copper—Leads on Paper and Ceramic Capacitors | 11,850 | 11,850 |
| Aluminum Shield | 100,000 | 100,000 |

The following tabulation summarizes the metal savings which are in effect in the manufacture of tubes and ferrite magnetic cores used in the manufacture of 1,000,000 TV receivers. A typical 23-tube receiver was used in these calculations.

| Material | Savings per 1,000,000 Television Receivers |
|--|--|
| Nickel | |
| (a) Nickel content in ferrite cores | 12,400 lbs. |
| (b) Nickel in receiving tubes and kinescopes | 33,600 |
| Copper in receiving tubes and kinescopes | 33,000 |
| Tin content in solder | 50 |

The more important conservation steps that have been taken are as follows:

Redesign of Speakers

When it became known that practically all of the available cobalt would be required by the government for defense items, a study was immediately started to see what could be done to eliminate cobalt from our instruments. Alnico V magnets were used in focus magnets and speakers. (Alnico V contains 24% cobalt, 14% nickel, 8% aluminum, 3% copper, and 51% iron.) The average focus magnet contained 5 ounces of Alnico V, and the average speaker contained 2.5 ounces of Alnico V, or a total of 7.5 ounces per instrument.

The problem of reducing or eliminating cobalt used in speakers could be attacked by changing to an electromagnetic speaker to save the 2.5 ounces of Alnico V. To solve the problem in this way would have resulted in the addition of approximately 1 pound of copper for the field coil. Instead, it was considered more advisable to retain the Alnico V magnet, but to reduce its size as much as possible consistent with maintaining acceptable performance. A complete study and redesign of speakers was made with the result that the largest magnet now used is 1 ounce and the average is approximately 0.75 ounce. This redesign also resulted in a saving in the accompanying steel and brass parts, so that from the speaker standpoint, the savings are as follows:

| |
|--|
| Alnico V—70% saving compared to early 1950 |
| Steel —35% saving compared to early 1950 |
| Brass —90% saving compared to early 1950 |

This program is currently in effect and the speaker manufacturers are aware of it.

Elimination of Focusing Magnet

A reduction of alnico used in the focusing magnet of the kinescopes is a slightly longer range change which is being very actively worked on. The focus magnet can be removed completely by continuing the use of electromagnetic focused kinescopes with electromagnetic focusing coil, or by changing to electrostatic focused kinescopes.

Electromagnetic focusing would require the use of a focusing coil with approximately 2 pounds of copper wire and with an adjustable D.C. current flowing in the coil. The D.C. power supply handling capacity would have to be increased in order to furnish this current. This in turn would require more copper and iron in the power transformer, or more electrolytic capacitors and selenium rectifiers which require aluminum. This program would obviously be impractical because, although it would save cobalt in the magnet material, it would use much more copper, aluminum and steel. It was therefore decided to change to electrostatic focusing. The change to the use of electrostatic focused kinescopes will cost slightly more per instrument because of the cost of the special components involved, but these special components do not involve critical materials.

The timing for introducing electrostatic focusing in production is determined by the availability of kinescopes, since the kinescope must be changed to permit this type of operation. The 17-inch rectangular sets (which is the largest item of production in the industry this year) will be changed to electrostatic focusing in the second quarter of 1951. By the end of the second quarter of 1951 it is planned to be completely changed over to electrostatic focusing on all sets.

The resultant saving is 5 ounces of Alnico V, approximately 5 ounces of zinc, and approximately 8 ounces of steel.

When we have completely changed over to electrostatic focusing, and assuming that we continue to average 0.75

ounce of Alnico V for the speaker, the total saving in Alnico V will be from 7.5 ounces to 0.75 ounce, or a saving of 90%.

Copper has become a very critical item; and we have effected savings in various ways. Our power transformers originally specified a shorting band 40 mils thick and approximately 2 inches wide. The specifications have been changed cutting the thickness in half, with a resultant saving of 0.19 pound per transformer. Hook-up wire has been reduced from 22 to 24 gauge, resulting in a saving of 33% in the amount of copper used. Certain screw machine parts which are used in the 45-rpm record changer and other places, and which were originally made of brass, are now made of steel.

Since RCA Victor does not manufacture all components, but purchases many parts that go into its instruments, changes in specifications of purchased components to save critical materials are made in cooperation with the various suppliers. Some of the changes which have been authorized are as follows:

(1) The cup over the end of the kinescope on the rear of the cabinet has been changed from aluminum to plastic.

(2) Shorter mounting bushings on some variable controls, saving approximately 10% of the brass in these controls.

(3) Reduction in the length of copper wire leads on paper and ceramic capacitors (20% copper saving).

(4) The use of copper clad steel wire instead of copper wire leads on wire-wound resistors and chokes.

(5) The use of Alnico III magnets (no cobalt required) for beam benders, instead of Alnico V magnets.

For future designs we are continuing to work in the direction of improved components and circuit efficiency, in order to further reduce the amount of materials used. Except for the power transformer, the deflection yoke is the largest component user of copper. Design work has been under way for some time to effect a saving here, and a design using only 50% of the usual amount of copper in the high-voltage coil and yoke appears promising. This in turn will still further reduce the amount of copper in the power transformer by an appreciable amount. The chassis size and depth can also be reduced in the future.

If these developments are entirely successful, we will be able to make additional important savings in steel, copper and transformer steel, over and above the savings shown in the above tabulation. We expect these developments will be completed by the end of April 1951, and we will then issue further information.

Conservation in Ferrite Cores

The conservation efforts and accomplishments given above relate to the metal content in TV receivers. Another important component used in a receiver is the ferrite cores, used as a magnetic core material in deflection yokes, IF coils, etc.

NICKEL OXIDE: Throughout the second half of 1950 our engineering organization has been engaged in an active program to conserve nickel oxide in ferrites by changes in the chemical and metallurgical formulation of the ferrite. The following progress has been made to date:

(1) A change in formulation from 13% to 10% NiO has been successfully developed, and after final tests on end products, will be effected in production in February 1951. This results in a reduction of approximately 23% in NiO content. This saving of approximately 23% in nickel oxide content results in a saving of 12,400 pounds of nickel in the nickel oxide, per 1,000,000 TV sets produced.

(2) Additional engineering and laboratory work to reduce our NiO consumption by another 50% is now in process and is expected to be effected in the second quarter. This is based upon a formulation using magnesium oxide to replace a certain amount of the nickel oxide, reducing the NiO content to only 5%. If we are successful in this further reduction to 5% nickel oxide, an additional saving of 20,000 pounds of nickel content in the nickel oxide will be made per 1,000,000 TV sets.

Materials Savings in Electron Tubes

Very active development programs have been pursued to reduce the use of critical materials in the manufacture of tubes.

NICKEL: Nickel, for years, has been an essential material of the electron tube industry. An intensive effort on the part of our engineering organization to conserve nickel and to substitute alternate materials, has brought outstanding results. The following substitution materials for pure nickel arc now being used:

(1) *Carbonized Nickel-Plated Steel Strip:* After three years of intensive effort a new plate (anode) material has been developed and tested by RCA engineers to the point where it seems to meet all of the requirements of a substitute for pure nickel strip in tube manufacturing. This new material, known as S8S1, is produced by RCA. The raw material—aluminum-deoxidized, cold-rolled steel strips, 10% nickel-plated, is coated with nickel oxide, which is then bonded to the strip, and carbonized.

(2) *Carbonized Steel Strip:* In some applications a satisfactory carbonized strip can be made using the foregoing process of nickel-oxide coating and carbonizing, but using plain steel (without nickel plating) as the base material.

(3) *Nickel-Plated Iron Wire (Nipron):* Nickel-plated Armco iron—a steel containing less than .05% carbon—is now being widely used by RCA as a substitute for pure nickel wire in the manufacture of a significant number of electron tube components.

(4) *Stainless Steel Wire:* We are now substituting 18-12 stainless steel wire with 18-8 stainless steel wire wherever possible throughout our operations. This permits a 33% saving in nickel content. In addition, we are now attempting the substitution of 18-8 stainless steel wire for nickel wire in certain non-critical tube components; such as getter loops.

COPPER: The quantity copper used in tubes is relatively small as compared to circuit and component uses. Nevertheless, every effort has been made to conserve and substitute alternate materials wherever possible.

Our program for conservation and substitution of copper is as follows:

(1) *Receiving Tubes:* Approximately 90% of our total copper requirements for receiving type tubes is for use as copper grid side rods which are used in about 10% of the receiving types produced. It now appears that, during the first quarter of 1951, we shall be able to effect a 30% reduction in our present usage of copper grid side rods through further usage of nickel-plated iron wires. Copper is also used in the lead wires which connect the elements of the tube to the base. It now appears probable that we can effect a saving of approximately 19% in the use of copper for this purpose by a reduction in the diameter of the leads used.

(2) *Cathode-Ray Tubes:* The principal use of copper in cathode-ray tubes is in the exhaust tubulation which is "pinched-off" upon completion of evacuation of the tube. A program for the substitution of glass for copper is under way which will be instituted by stages during the first quarter of 1951.

(3) *Transmitting and Power Tube Types:* Primary usage of copper in transmitting and power tube types is for anodes and radiators. High electrical and thermal conductivity are required in order to dissipate the great amount of heat generated in such types. No satisfactory substitute for oxygen-free, high-conductivity copper is currently known. It should be noted, however, that nearly all tubes of this type are used in such essential applications as commercial communications, broadcasting, industrial oscillators, and the like.

Similar programs have been instituted with respect to other critical materials. For example, tin is used in solder. The common percentages for tin for such purposes range from 35% to 60%. In tube manufacture the percentage of tin content for all solders has been reduced to 35%, and provision is now being made so that nearly all production can use a 20% tin content solder.

Conservation of TV Installation Materials

While manufacturers of TV receivers are not generally directly concerned with the specifications of installation materials, very important conservation programs can be adopted to substantially reduce the amounts of aluminum, copper, zinc and steel used in installation materials such as masts, brackets, lead-in wire, etc. The industry must bear in mind that antennas in most instances are a necessary part of TV receiver installation. A great deal can be done to guide dealers and servicing organizations in the conservation of installation materials.

Following are some important savings of scarce materials which have been accomplished by the RCA Service Co. as the result of an intensive conservation program:

(1) **ALUMINUM:** The use of aluminum for masts has been reduced almost 50% during the first quarter of 1951. If this savings can be attained throughout the industry, it would represent a reduction of more than two million pounds of aluminum per one million receivers installed with an outdoor antenna. This conservation of aluminum by the RCA Service Company was accomplished through the following means:

(a) Standard 8' aluminum masts were replaced by 6' steel masts wherever possible.

(b) Tall masts using large-size aluminum tubing are being constructed of one-size smaller tubing.

(c) Standard 12' x 1 3/8" x .083" wall aluminum masts weighing 4.75 lbs. were replaced by 10' x 1 3/8" x .072" wall weighing 3.46 lbs. for a savings of 1.29 lbs. per unit or 27%.

(d) Standard 12' aluminum masts are also being changed over wherever possible to 10' x 1 3/8" x 16 ga. steel tubing saving 4.75 lbs. of aluminum per installation.

(e) Standard antennas have been lightened by reducing the wall thickness of aluminum tubing, used for the elements, at the same time retaining strength by using a stronger alloy even though this increases the cost. The 1/2" x .042" wall tubing has been reduced to 1/2" x .035" wall resulting in an aluminum savings of 10.4% per installation.

(2) **COPPER:** The major use of copper for TV installation is in the transmission line of the 300-ohm ribbon and coaxial types. Substantial reductions in the use of copper have been accomplished by the RCA Service Co. in the following manner:

(a) A nation wide program has been instituted to reduce the footage of cable used per job by placing antenna as near as possible to the receiver, by measuring

the required length of line accurately and by splicing together and soldering short lengths. These steps have resulted in reducing the transmission line usage from 123' per installation to 83' per installation currently. This represents a net reduction of 32% in the use of copper lead-in wire.

(b) The standard 300-ohm transmission line in the past consisted of 7 strands of No. 28 copper wire which will yield 147.5' of transmission line per pound of copper. Anticipating the shortage of copper, the RCA Service Company's Engineering Department designed several lighter weight types of transmission line which have proved adequate. The latest type which will be adopted as a standard has 7 strands of No. 30 wire which will yield 234' of lead-in cable per pound of copper for a net savings of 33%.

(c) Anticipating the probable future reduction of copper usage, tests have been conducted using 300-ohm transmission line with conductors of "copperweld" wire. This is a steel wire coated with a thin layer of copper. While the total weight of the metal content would be approximately the same, the major part of the copper will be replaced by steel with a net reduction of 82 1/2% in copper usage.

(d) Coaxial and twin-ax cable use considerable amounts of copper. In cooperation with the Anaconda Wire and Cable Company, the RCA Service Company is conducting tests on the use of a thin aluminum foil sheath to replace the copper braid shield on these cables. A typical example would be the coaxial cable used on multiple antenna systems. This cable now uses 22.5 lbs. of copper per 1,000'. Twenty pounds of this total are in the shield. The coaxial that is being tested will replace 22.5 lbs. of copper with a cable that contains 2.5 lbs. of copper and 3/4 of a pound of aluminum per 1,000'.

(3) **ZINC:** In order to conserve zinc normally used for plating steel masts and brackets, a plastic coating material is being used for rust-proofing steel masts and steel brackets. The total amount of zinc saved through this process is approximately 320 lbs. per 1,000 antenna installations.

(4) **STEEL:** The total usage of steel will be increased by the substitution of steel for aluminum masts wherever possible. However, it has been found that such items as roof-mounting brackets lend themselves to redesign for conservation of steel. One typical instance, for example, a mounting bracket weighing 7.4 lbs. has been replaced by two alternate types weighing 5.75 lbs. and 4.9 lbs., respectively. This redesign provided brackets of adequate strength with a net savings in steel of 29 1/2%.

PHILCO'S REPORT

(Continued from page 1)

Materials Savings Already Achieved in Pounds per Million Television Receivers

| Materials | Current Production vs. Fall 1950 |
|---|----------------------------------|
| Alnico V { 24% cobalt 8% aluminum } { 14% nickel 3% copper } | 135,000 lbs. |
| Copper | 456,000 |
| Ferrite { 20% nickel oxide } { 25% zinc oxide } | 342,000 |
| Silicon Steel | 192,000 |
| Tin | 550 |
| Zinc | 333,000 |

Principal Design Changes in New Chassis

While it is relatively easy to make minor changes in design and achieve materials savings such as those enumerated above, the evolution of basically new circuitry takes a much longer time. It requires work in research laboratories by specialists in many fields; then a major program of combining numerous new ideas in a complete experimental TV chassis, and proving and improving the performance of this prototype. Next, this first model must be studied and redesigned by engineers familiar with mass production techniques, so that the new receiver can be manufactured efficiently in mass production. The final step, before the design can be released for production, is

an exhaustive program of field tests to examine every characteristic of the new receiver in various locations where difficult problems of TV reception are encountered.

The new Philco chassis has undergone this entire process of development. It is field-tested, proved and engineered for production in quantity.

The basic design of the new chassis, which has brought about most of the savings in critical materials, is a direct result of planning long before the Korean war started. There are three major improvements in the new Philco TV design, which may be briefly described as follows:

(1) A new and more efficient horizontal deflection circuit has been developed. This new output circuit includes a new diode damper tube, the 6V3, developed by Philco engineers. The new circuit makes it possible to use a smaller fly-back or horizontal output transformer, and permits operation at lower plate supply voltage than was previously possible. Comparing this circuit with a typical previous circuit, the plate supply voltage required in the new circuit is about 250 volts as compared with 315 volts required by the old design.

The new deflection circuit requires a diode damper tube which will withstand a pulse voltage between heater (filament) and cathode in the order of 5000 volts. Such a

tube had never been commercially produced, and the design was accomplished by using an entirely new type of construction. In the new 6V3 tube, the filament is suspended independently inside the cathode, without touching it at any point, and the cathode receives its heat by radiation from the filament rather than by conduction as in the ordinary tube. This new design makes it possible for the 6V3 to withstand pulse voltages well in excess of 6000 volts. This new tube design has already found other important applications.

(2) With the new efficient deflection circuit, it is possible to use a new plate power supply similar to a design already successfully used by Philco. This new power supply utilizes two selenium rectifiers in a voltage doubler circuit and makes it possible to eliminate the heavy power transformer used in the conventional previous circuit. In the new power supply, a small transformer is employed to supply filament power; this transformer could also have been eliminated, but this would have required connecting the filaments of all tubes in series, and Philco engineers decided against such a design because of its obvious vulnerability.

(3) A third major improvement in the new Philco TV chassis is the use of a newly developed cathode ray picture tube with electrostatic focus. By focusing the electron beam electrostatically, it has been possible to eliminate both previous types of focusers: the heavy permanent magnet focuser made of Alnico V; or the alternative, an electromagnetic focuser with a copper coil requiring a considerable amount of rectified power to energize it.

In addition to these major design improvements, all of which also achieve substantial savings in critical materials, there are numerous other changes in the new Philco chassis which combine conservation and better performance.

* * * *

**Materials Savings Possible with New Philco Chassis
Per Million Television Receivers**

| Materials | New Chassis vs. Fall 1950 Sets | |
|---------------|--------------------------------|---------|
| | Savings in Pounds | % Saved |
| Alnico V | 599,000 lbs. | 100% |
| Aluminum | 563,000 | 68 |
| Copper | 1,263,000 | 26 |
| Ferrite | 529,000 | 51 |
| Silicon Steel | 7,397,000 | 58 |
| Tin | 80,260 | 50 |
| Zinc | 792,000 | 75 |

It should be noted that ultra-scarce cobalt is entirely eliminated, while the amount of other scarce materials needed is reduced by substantial percentages. Now to consider the specific details of savings under various headings.

ALNICO V, which contains scarce cobalt, nickel, aluminum and copper as indicated, is entirely eliminated in the new chassis design, because of the following changes:

(a) Permanent magnet speaker removed, and replaced by electromagnetic speaker.

(b) Permanent magnet focuser removed; replaced by new electrostatic focusing circuit.

(c) Beam bender of Alnico V removed; replaced with beam bender of Alnico III, containing no cobalt.

ALUMINUM content of the new Philco chassis has been reduced by .563 lb. per receiver by the following changes:

(a) Aluminum frame assembly straps for picture tube are replaced by fabric straps.

(b) Aluminum protective cup for picture tube is replaced by a plastic-and-fibre cup.

(c) One electrolytic condenser, containing aluminum foil, eliminated by use of electrostatic-focus picture tube.

(d) Amount of aluminum foil in other electrolytic condensers reduced by use of lower voltage plate power supply.

COPPER used in the present TV chassis has been reduced by the substantial total of 1.236 lbs. per receiver, even though it has been necessary to add copper wire for the electromagnetic speaker to eliminate Alnico V. Savings of copper in the new design are achieved by:

(a) Large power transformer is removed, and replaced with much smaller filament transformer and voltage doubler power supply using selenium rectifiers.

(b) Amount of wire in audio output transformer reduced, with special compensation to maintain sound quality.

(c) Wire used for hook-ups throughout chassis reduced from size No. 22 to No. 24.

(d) Wire leads on tubular and mica condensers shortened.

(e) Width and linearity coils removed because of use of new efficient deflection circuits.

(f) Size of horizontal output transformer coil reduced through use of new circuits, including new 6V3 damper tube.

(g) Copper ribbon-type ground straps removed and replaced by wire.

FERRITE, which contains 20% nickel oxide and 25% zinc oxide, is a scarce material and the amount used in the new Philco chassis has been reduced 51% by the following changes:

(a) Size of horizontal output transformer core reduced, thanks to new circuit and new 6V3 diode damper tube.

(b) Ferrite core removed from deflection yoke; and replaced with new yoke of flake iron, which is a non-critical material.

(c) Width and linearity control cores eliminated by use of new efficient circuits which include resistor-type width control and require no linearity control.

SILICON STEEL is conserved in substantial quantity in the new chassis, which reduces the amount required per receiver by 7.399 lbs. by these changes:

(a) Large power transformer removed, replaced by small filament transformer and voltage doubler power supply, with selenium rectifiers.

(b) Size of audio transformer core reduced, maintaining high quality of sound output by special compensations.

TIN will be conserved in considerable quantity in producing the new Philco chassis by using a new solder with 20% tin content, instead of the present solder with 40% tin; and by using a new flux with this solder to make permanent soldered joints. The resultant saving amounts to 80,260 lbs. of tin, a strategic material, per million TV receivers.

ZINC is being conserved by means of eliminating some zinc die castings (notably one in the focuser); by the savings noted above under ferrite; and also by eliminating brass (an alloy of copper and zinc) wherever possible. All brass hardware and machine screw parts are being replaced with steel, wherever ferrous metals can be employed. The amount of brass in control bushings has been reduced about 10%. All brass formerly used for decorative purposes on the cabinet is also being removed.

CADMIUM, another scarce metal, is being conserved by changing the plating of the new deflection chassis and other metal parts to a plating of non-strategic materials wherever soldering requirements permit.

Total Weight Savings

In view of the impressive list of changes enumerated above, it is not surprising that the new Philco TV chassis and picture-tube mounting frame weigh considerably less than the comparable current model now in production. It should be noted that ever since early 1950, Philco design has divided the chassis into two parts; one contains tuner, IF and other circuits; the second includes the power supply and associated circuits. The new design continues this highly efficient "duplex chassis" and achieves savings in critical materials—and weight—in both parts of the chassis, as well as in the picture tube frame assembly.

Savings in Weight Achieved by New Philco Television Chassis

| | Present Receiver | New Receiver |
|-------------------------------|-----------------------|----------------------|
| R-F, I-F Chassis Section | 6 lbs. 15 oz. | 6 lbs. 3 oz. |
| Power Chassis Section | 28 lbs. 8 oz. | 18 lbs. 3 oz. |
| Frame Assembly, Yoke, Focuser | 4 lbs. 3 oz. | 3 lbs. 2 oz. |
| Totals | 39 lbs. 10 oz. | 27 lbs. 8 oz. |

Thus the new Philco design saves a total of 12 lbs. 2 oz. per receiver. This weight saving means not only a substantial conservation of critically scarce materials. It also means that new, lighter chassis will be easier to handle in production, thus reducing the fatigue of workers. Further the lighter chassis will appeal to future owners of the new

sets, especially table models which are often moved from room to room, or from one location to another in a room.

Materials Savings in Associated Fields

While the comprehensive program described above has resulted in the development of an entirely new Philco TV chassis, with improved performance and conserving important amounts of scarce materials, other engineers of the company have been active in similar conservation programs. For example, Philco tube engineers are engaged in a long-term project to reduce use of such materials as nickel and copper in both cathode ray picture tubes and in various types of receiving tubes. Company engineers working with antennas and other installation materials have also achieved remarkable results, practically eliminating the aluminum used for outdoor antennas and saving important quantities of copper and zinc.

Many TV-radio receivers are sold in "combinations" containing automatic record changers. Philco mechanical engineers have redesigned the highly successful M-22 three-speed automatic changer to conserve many critical materials.

Materials Savings in TV Tubes

Although the total amounts of critical materials involved in making cathode ray picture tubes and receiving tubes are extremely small, in the aggregate the savings that may be achieved are well worthwhile.

Materials Savings with One Million 17" Cathode Ray Picture Tubes

| | Present Design | Future Design | Saving |
|-----------------------|----------------|---------------|------------|
| Nickel | 4,000 lbs. | 2,000 lbs. | 2,000 lbs. |
| 18-12 Stainless Steel | 12,000 | 8,000 | 4,000 |
| Copper | 3,000 | 2,500 | 500 |

Specific savings include:

Nickel

(A) Receiving Tubes

(1) Wherever possible, carbonized nickel-plated steel strip has been, or is being substituted for nickel used for the plates of receiving tubes.

(2) Research work is going on to replace nickel for the plates of certain tubes with aluminum-clad steel strip. This has already been done in Europe, and as soon as a sufficient supply of aluminum-clad steel strip is available, more substitution will be achieved here.

(3) Nipron, or nickel-plated iron wire, is being used for inside stem leads to replace nickel wire. Research is also under way to use Nipron for outside stem leads.

(B) Cathode Ray Picture Tubes

(1) Nipron is being used for inside stem leads, and is saving 60-70% of the nickel required for this application.

(2) Philco has changed the bulb-spacer design in 90% of cathode ray tubes, reducing the 18-12 stainless steel required by 50%. This represents a saving of 50% in nickel requirement.

(3) The gun design on one type of picture tube has been changed, reducing the amount of 18-12 stainless steel required by 70% over conventional gun designs.

(4) A new gun is being developed by Philco tube engineers for all cathode-ray tubes, which will reduce usage of 18-12 stainless steel by 40%.

Copper

(A) Receiving Tubes

Copper-clad steel wire is being used to replace copper for grid side rods, wherever this change is feasible.

(B) Cathode Ray Picture Tubes

(1) Philco has completely eliminated the use of copper in exhaust tubulation on the one type of picture tube where this technique was employed. Glass has been substituted, and Philco has always used glass extensively for exhaust tubulation, thus conserving copper.

(2) The diameter of Dumet stem leads has been reduced, saving 15% of the copper used in these leads.

(3) Philco has concentrated entirely on glass envelopes for picture tubes, thus conserving large amounts of chrome steel—savings in chromium—as compared with other major producers.

Savings in TV Installation Materials

Ever since early 1950, Philco has taken the lead in reducing the amounts of critical materials used for installing TV receivers, including the aluminum, copper and zinc used in TV antennas, mounting hardware, and transmission or lead-in line.

Savings in TV Installation Materials per 1,000,000 Receivers Installed with Outdoor Antennas

| | Savings By New Philco Designs |
|-------------|-------------------------------|
| 1. Aluminum | 6,800,000 lbs. |
| 2. Copper | 120,000 |
| 3. Zinc | 350,000 |

Details of these savings in installation materials are as follows:

Antennas

Masts: The use of aluminum for antenna masts has been eliminated by Philco since the middle of 1950, with steel masts having been introduced early last year. The standard masts sold by Philco are now made of steel tubing in 5' and 6' lengths, 1¼" O.D. and .030" wall thickness. These steel masts replace the standard 6' aluminum masts formerly sold by Philco. On the average, two of these aluminum masts were required for the typical installation, or a total weight of about 4 lbs. of aluminum per installation, all of which is saved.

Cross-Arms: In all standard Philco antennas for the past eight months, steel cross-arms have been used, saving about 1 lb. of aluminum per antenna. (Standard antennas account for 94% of total Philco antenna sales.) In deluxe Philco antennas, the cross-arm has been made of aluminum or manganese iron, but steel cross-arms will be used from March 1, 1951. (Deluxe antennas—6% of sales.)

Dipoles, Fans and Hardware: Receiving elements of standard antennas, and mounting hardware have been made either of dural or butt-seam welded aluminum. This is being entirely replaced with steel, including steel tubing, saving about 2 lbs. of aluminum per antenna.

Savings in Zinc: To conserve zinc normally used for coating steel masts and mounting hardware, special rust-proofing and painting processes are now being employed which will save about 350 lbs. of zinc per 1,000 antenna installations.

Use of Steel is being increased by substituting steel for aluminum in all antenna masts. However, some savings in use of steel are being achieved by redesign of mounting brackets.

Transmission or Lead-In Line

Practically all line supplied by Philco through distributors and dealers for TV installations is 300-ohm ribbon line. Here there has been a reduction from 7-strand line, using No. 28 copper wire, to line with 7 strands of No. 30 wire. This amounts to a saving of 33% in copper.

Also, all installations are made with the minimum footage of transmission line required for each specific job.

Savings in Philco Automatic Record Changers

The savings shown below have been achieved by Philco mechanical engineers, by such methods as substituting steel stampings for zinc die castings, etc.

Material Savings in Pounds per 200,000 Record Changers

| | Current Production vs. New Series Changers | Savings in % |
|-----------------|--|--------------|
| Aluminum | 10,000 lbs. | 100% |
| Brass | 74,400 | 100% |
| Phosphor Bronze | 600 | 100% |
| Stainless Steel | 9,700 | 50% |
| Zinc | 200,000 | 83.5% |