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The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

LOTS OF TALK ABOUT ALLOCATIONS—BUT: There was a substantial hustle & bustle about TV allocations last week—but still nothing conclusive. FCC met on subject twice, and about the only thing resembling a consensus is an agreement to explore concept of getting more vhf channels from the military in exchange for uhf. All Commissioners recognize that if exchange is negotiated, it will be long process.

The rub is this: what to do in the meantime, if anything? And that's where FCC splits. Some members have formed more definite conclusions than others. For example, Comr. Cross likes the idea of dropping vhf channels into neediest markets by cutting mileage separations, using directionals, precision offset carrier, etc. He'd try to keep this limited to the major markets with severe shortages. He also thinks uhf should become a "local" service like local radio, and he'd set a 10-kw ceiling on uhf—with some exceptions for higher power. In addition, he'd let uhf start as translators, with as little as 5 watts, build from there.

Comr. Lee, for one, doesn't get excited about long-range acquisition of more vhf channels—though he has no serious objection to exploring it with the military. He'd rather shift everyone to uhf as fast as possible, presumably permanently, but he can't get support on this from his colleagues.

One reason for FCC's intense work on problem is that it now has TASO's technical report and is preparing to brief Senate Commerce Committee on its progress—no date set yet.

Senate Committee is getting ready too, Chairman Magnuson (D-Wash.) having called attorney Kenneth Cox back from Seattle as special counsel. Cox has made an exceptional record handling such problems, working hand-in-hand with Committee's very knowledgeable communications counsel Nicholas Zapple. There were these additional developments last week:

(1) Everyone clamoring for a chunk of the 25-890-mc portion of the spectrum, which includes all TV channels, filed mass of data to justify their claims (p. 5), preparatory to presentation of oral testimony which may start in couple of months. Also in there pitching to protect all TV channels was Assn. of Maximum Service Telecasters (see below).

(2) Office of Civil & Defense Mobilization, under prodding from Rep. Bray (R-Ind.) & industry (Vol. 15:12), released Dec. 29 report by President's Special Advisory Committee on Telecommunications (p. 6).

(3) Kenneth Norton, Bureau of Standards' top radio propagation man, in March 27 letter to FCC Chairman Doerfer, repeats an allocations argument he made 10 years ago—that more vhf service would be provided if station co-channel separations were reduced to 100 miles or less. He acknowledges that rural coverage would suffer at expense of multiple services for cities but apparently believes that more would be gained than lost. He suggests that small towns may be served by "thousands" of vhf boosters, and he sees no point in attempting to shift all TV to uhf. Norton holds title of "Chief, Radio Propagation Engineering div., Central Radio Propagation Lab," is stationed in Boulder, Colo.

MST URGES FCC TO HOLD LINE ON ALLOCATIONS: Strongly & voluminously, Assn. of Maximum Service Telecasters spoke up last week to protect all TV channels from any inroads—by non-broadcast radio services, military, etc.—as it filed direct testimony in FCC's huge investigation of all uses of 25-890-mc portion of spectrum. MST had concluded that TV industry must respond most forcibly—and in light of insistent demands by other services (see p. 5) its precautions appear justified. MST makes these recommendations in its testimony.

(1) Ch. 2-13 must be retained. (2) More vhf channels would be "most desirable." (3) If more vhf is obtained, part of the uhf could be given up. (4) No uhf channels should be relinquished except in exchange for vhf. (5) No degradation of existing service should be permitted.

Statement by MST exec. director Lester W. Lindow stresses fact that although TV has about half the spectrum in 25-890-mc band, it has only 3.5% of non-govt. "usable channels" in the band.

Describing "the role of TV in American life," Lindow calls attention to more than 50 million sets-in-use, more than 20% of average viewer's waking life spent watching TV, rapid occupation of TV channels as compared with radio's growth, investment by public & industry of $26.3 billion to date, service to 50.5 million persons per vhf channel, 3,563,960 "active uhf TV viewing homes" as of spring 1958, approximately a million people within uhf translator service areas, farm TV households with more than 14 million people, TV's major role in advertising.

If all TV were moved to uhf, Lindow states, there would be great loss of area covered. He also asserts that wired-TV coverage is no palliative, because cost would be prohibitive & rural areas would be unserved. MST's statistical data was prepared with aid of economist Harold G. Ross, formerly on NAB staff.

Consulting engineer Howard T. Head made following points: (1) Any reduction in TV's 6-mc bandwidth would degrade picture, particularly color, and obsolete all sets. (2) Reduction of interference through "precise carrier offset" or "very precise carrier frequency control" (permitting cuts in station separations) haven't been tested adequately. (3) Directional antennas still await thorough field testing. (4) Uhf reception suffers from antenna, transmission line and noise problems.

WHAT PRICE POST-1948's?: Major Hollywood film studios, with more than 2500 post-1948 pictures in their vaults, will face genuine problems when they seek to sell these to TV. We checked stations in Los Angeles, long one of the most important film buying centers in TV, found no particular enthusiasm for post-1948's. Buyers are wary of high prices, of quality, and of adaptability of Cinemascope pictures to small TV screen. Most of post-48 is in wide, Cinemascope process.

Two batches of pre-1948 movie product are currently being offered around Los Angeles, with no takers. They're an NTA package of 88 20th-Fox pictures and a Screen Gems package. So future appears anything but rosy for studios planning to sell post-48's (see p. 8).

EIA SEEKS TO EASE NSRC ANTI-TRUST ANGLE: A large step has been taken to minimize any possibility of anti-trust law violation in the procedures of National Stereo Radio Committee—obviously with hope of enticing recently-resigned RCA back into the fold and of inducing CBS to join. Both have been staying away to avoid taking the slightest risk that Dept. of Justice might get suspicious of joint efforts by competitors (Vol. 15:12).

Electronic Industries Assn. Pres. David R. Hull got ball rolling by asking FCC for its blessing on NSRC—which is to gather technical information, not to recommend specific stereo standards to FCC. Chairman Doerfer responded with pleasure: "The Commission recognizes that valuable information will be developed by your group and would be pleased to receive such information as you may feel is pertinent." Doerfer also offered FCC engineers as observers—and Harold Kassens & Julian Dixon have sat in on NSRC deliberations.

This FCC endorsement can't immunize anyone from anti-trust prosecution, but it tends to minimize it under the "Peyton Ford" formula. This refers to Oct. 19, 1950, statement by Dep. Atty. Gen. Ford, who listed 5 procedures to reduce possibility of anti-trust violations: (1) A finding by a govt. agency that work of group such as NSRC is needed. (2) Agendas for meetings initiated by Govt. (3) Govt. officials serving as chairmen. (4) Complete minutes kept. (5) Groups remaining "purely advisory." Ford made it clear at the time that compliance with foregoing by no means created a blanket of immunity from prosecution, though he said it would tend to minimize risks.

EIA gen. counsel Wm. L. Reynolds analyzed NSRC's anti-trust posture for NSRC Chairman Dr. W. R. G. Baker last week—and he said that "they are consistent with the operating principles & procedures applicable to all engineering committees of this assn.," indicating that NSRC should be neither safer nor riskier than any other similar group. Reynolds stated that NSRC (and TV Allocations Study Organization, of which EIA is a member) followed spirit if not exact form of Ford's 2nd & 3rd recommendations.

RCA & CBS hadn't studied latest developments, thus couldn't indicate whether they're ready to join NSRC. Each has a stereo system and presumably will work toward getting it adopted by FCC—whether they participate in NSRC or not.

PUTTING THE SQUEEZE ON THE TV PICTURE: The future of worldwide TV networking—by island-hopping relay, space satellite or transoceanic cable—may well depend on complex & unpublicized work in bandwidth reduction now being carried on independently in several widely-scattered labs in this country & abroad. Important byproducts may be relatively inexpensive long-distance networking relays and simple, compact portable military TV relay equipment.

Important successes have been achieved in funneling TV picture information into a narrow band of frequencies for relaying purposes—a 4-to-1 reduction already can be accomplished under some circumstances, without loss of picture quality.

No relief from TV allocations dilemma is promised at this time by electronic bandwidth reduction. It requires complex equipment at transmitting & receiving ends and in foreseeable future its only use will be for point-to-point relays.

Here's why bandwidth-reduction is so important to long-distance networking: A single-channel TV transmission requires 4 mc of frequency—nearly 4 times the space occupied by the whole AM broadcast band, for example. To harness new over-horizon long-distance microwave techniques, tremendous power is needed—and the wider the band of frequencies you relay, the more power you need. If you can cut width of TV picture in half, you'll need only half the power to send it a given distance—or it can be sent twice as far with same power.

Transoceanic cables have been eyed as potential TV carriers—but Atlantic cable can accommodate only 160 kc. Thus, TV signal would have to be chopped to 1/25 of its present width to squeeze it through the cable. Research engineers are convinced that this is possible.

The bandwidth-reduction technique which is getting most attention today is based on the fact that TV pictures are never as crowded with details as they could be. If you jammed a single TV picture with all the possible detail its 4 mc could carry, you would have a fine-mesh checkerboard pattern with about 250,000 "picture elements" (minimum perceptible details). But in reality, no TV picture ever carries much detail. Therefore, in reality, it shouldn't require 4 mc.

Method known as "statistical coding" is used to take advantage of this fact. Picture details are coded & rearranged, so that the only bandwidth needed is for the details which are actually in the picture.

The parts of the picture which have no detail (solid black, white, grey, etc.) need not be transmitted—merely "suggested."

TV picture is painstakingly & electronically picked apart, the "detail" information rearranged & translated by computer into an electronic shorthand which represents entire picture but only "suggests" portions of picture which don't contain details. Computer at receiving station "transcribes" the shorthand, reconstructing original picture. Digital coding techniques take advantage of physiological & psychological phenomena of vision as well as straight electronic science.

Two leaders in field of bandwidth reduction research are Bell Labs and Technicolor Inc. Bell's project at Murray Hill, N.J., under R. E. Graham, is now concentrating on digital technique, after evaluating many proposed methods. To date, using relatively "simple" equipment, Bell has been able to reconstruct satisfactory TV picture with only about 50% of the information contained in original picture—equivalent under ideal circumstances to a reduction of picture bandwidth to 2 mc. More elaborate equipment, according to Graham, can accomplish a cut of maybe 3-1 without picture degradation.

Technicolor Inc., which started band-reduction research 5 years ago in search of video tape recording techniques as a diversification move, has developed system it calls "synthetic highs." It reduces high-frequency elements (which comprise about 3.65 mc of the 4-mc picture) to basic code, reconstructing them synthetically at receiving end. Technicolor's equipment can reproduce commercial-quality picture using as little as 1 mc under certain conditions, says Dr. W. F. Schreiber, project director.

Transatlantic cable could accommodate TV, even on basis of present knowledge, he says—but, although viewable, it would be degraded. The 25-to-1 reduction could be accomplished partly by digital coding, the rest of the way by reducing frame rate & resolution (number of lines).

A bonus of coded TV, according to Dr. Schreiber, is fact that Technicolor system—being non-synchronous—can be transmitted using one set of standards (U.S. 525-line system for example) and decoded into another set (British 405-line, French 819, European 625). For military purposes, TV picture can be kept secure by applying standard cryptographic techniques to the computer-coded signal.

Among others working in bandwidth reduction is Florida Micro-Communications, Miami, whose use of a different technique—velocity modulation or "slow-scan-fast-scan" in connection with proposed Caribbean network—was described in February (Vol. 15:6).

CATV SYSTEMS—BATTLING BUT PROSPERING: Although community antenna operators have their hands full of battles on startling number of fronts—FCC, Congress, courts, legislatures, town councils, utility commissions, etc.—they're still conducting a thriving business. Working from updated CATV directory in our new spring-summer TV FACTBOOK, now going into mails, we find that about 2 million people in U.S. now get their TV via CATV—up about 200,000 in 6 months.

New directory is more complete than any previous one, is based on high rate of response to questionnaires from CATV owners. We've also made it more realistic—by weeding out systems purportedly in operation but never fully verified. This actually reduces number of systems listed—to 555 vs. 610 six months ago—but final result is more accurate. Canadian figure is 144, up from 140. Herewith are key figures derived from our analysis:

(1) Total U.S. homes served, 549,967—vs. 492,345 six months ago. Canadian total: 67,594—vs. 58,988.

(2) Estimated potential of the systems now operating, 952,470—vs. 934,864. Canadian: 124,975—vs. 152,713.

(3) Average number of subscribers per U.S. system, 1215—vs. 1056. Canadian: 815—vs. 479. (Considerable jump in averages is attributable in large part to fact we've decided to exclude systems with fewer than 100 connections when computing averages, because most of these are tiny affairs, have no prospect of developing into a true "business.")

(4) Average potential per operating U.S. system, 2103—vs. 2068. Canadian: 1506—vs. 1161.

CATV directory occupies 25-page section of the FACTBOOK, includes: name of company, address, telephone, no. of subscribers & estimated potential, date of start, make of equipment, principal officer, stations received. Directory also includes for first time a separate listing of the 31 U.S. & 7 Canadian operators owning 2 or more systems.

The FCC

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THE SPECTRUM HUNGER: The never-ending demand for more & more frequencies, by every kind of radio user, was pointed up sharply last week when all parties filed copies of their direct testimony in FCC's proceeding examining the allocations in the entire 25-890-mc band (see p. 2). In the following paragraphs, we summarize the allocations requests & recommendations of the major parties filing comments:

Aeronautical Radio Inc. "We most strongly urge" retaining the allocation of frequency band 126.8-132-mc for aeronautical mobile service. Also "it is shocking that in this day & age and in these United States there exists no public telephone service to aircraft." Supports common carriers' request for frequencies separate from safety & aeronautical services to supply such service.

American Broadcasting-Paramount Theatres not ready to submit evidence. Wants to look over TASO report first. Meanwhile continues to think that "the future of TV allocations should be determined before any overall reallocation of frequencies in the 25-890 band is attempted."

American Municipal Assn. "We could double the use of mobile radio by using only a small portion of the present allocation between 470 mc and 890 mc to TV broadcasting. Such allocation would reduce the potential number of TV stations from 70 to 56. We therefore strongly urge the allocation of a portion of this 470-890 mc spectrum presently allocated for broadcasting to the mobile service. This we feel is absolutely necessary."

American Petroleum Institute. Petroleum & natural gas industries' "use of radio can be clearly justified." It "can see no justification for moving present petroleum radio service users to other bands." (Frequencies in 48.56-49.50-mc band have been assigned since April 1, 1958, in petroleum radio service on shared basis with forest products radio service.)

American Rocket Society. Requests the following assignments of spectrum for space communications: 25.6-25.65 mc, 37 & 38 mc "or equivalent frequencies separated approximately 1 mc for ionospheric studies," 148-150.8 mc, 24 mc in the 216-260-mc band, 25 mc in the 309-450-mc band.

American Taxicab Assn. seeks 10 channels in the 152-162-mc band.

American Telephone & Telegraph Co. urges that TV's 765-840-mc band be reassigned to "domestic public mobile radio service for use by land line telephone carriers . . . secondarily for common carrier fixed, and that TV's 840-890-mc be assigned to common carrier fixed service as a replacement for the 890-940-mc band.

Assn. of Maximum Service Telecasters. (See p. 2).

Central Station Electrical Protection Assn. requests allocation of a band for the exclusive use of "those engaged in furnishing fire, burglary and other protective services."

Electronic Industries Assn. recommends: (1) That FCC permit educational institutions to use uhf channels to distribute classroom instruction programs—because the use of cable over wide areas for this purpose "may become prohibitive." (2) An additional 40.8 mc of spectrum be allocated to public safety, industrial & land transportation services, to provide 1200 more voice channels—4.8 mc under 100 mc, 18 mc from the 100-300-mc band, 18 mc from bands above 300 mc. Estimates that there were 695,000 transmitters in the services in 1958, will be 1,390,000 in 1963, 2,650,000 in 1968, 5,000,000 in 1978.

FM Broadcasters urges that "present standards governing FM broadcasting remain unaltered." What with stereo coming up, "any reduction in that bandwith (88-108) would be completely contrary to the public interest."

Institute of High Fidelity Manufacturers Inc. "FM cannot be reallocated to a different band" because the cost would be prohibitive—"any change now would result in a disastrous obsolescence of existing equipment. No other band appears feasible."

Joint Council on Educational TV hopes "TASO's findings & recommendations will prove helpful to the Commission." Meanwhile repeats its Nov. 3, 1958, petition to FCC for "thorough investigation of TV allocations as a first step toward removing some of the serious obstacles to effective noncommercial telecasting, particularly in large metropolitan areas." It's "wholly unrealistic" for commercial broadcasters to argue that uhf channels won't do for them in a vhf market "but are good enough for noncommercial broadcasting."

Lenkurt Electric Co. Inc. concurs with AT&T's request that TV's 765-840-mc band be allocated for common carrier service.

Motorola Inc. suggests that TV be allocated 30 channels in the 174-354-mc band. "The adjacency of these channels will provide essentially equal propagation characteristics for all channels, assure the sale of 'all-channel' receivers, and generally promote a healthier TV complex. This suggestion obviously eliminates present Ch. 2 through 6 and starts TV with Ch. 7. As distasteful as this at first may appear, it is a feature which can be accommodated with proper planning so as to minimize negative reactions. The benefits that will accrue are definitely the lesser of evils. Such an adjustment can be managed over a 10-year period minimizing the obsolescence to set owners. The equipment changes required of the broadcasters are comparatively minor and can be accommodated with minimum hardship." Also suggests: "Fundamental to any rational allocation plan is the necessity of placing all allocations in the hands of one authority, with govt. & non-govt. assignments allocated alike by this single authority."

National Assn. of Broadcasters. "It will be impossible to make specific concrete recommendations" until the industry & FCC have had a chance to study the TASO report —and that will take "many months." Moreover, until proposed studies by President & Congress are completed, little can be done "to determine the proper place in the spectrum that TV should occupy." Meanwhile, the "status quo should be maintained." Also states that it "would be most inappropriate to make any changes in the existing FM broadcasting standards," particularly in view of study by National Stereophonic Radio Committee of various stereo systems, and also because of national defense program plans for post-attack use of FM channels & existing FM sations.

National Assn. of Educational Broadcasters. In view of "already harrassed history of educational FM, [we] would urge that the educational FM service, at least, be left unmolested."

National Assn. of Manufacturers' Committee on Manufacturers Radio Use requests the assignment of 4 low-powered frequencies in the 152-162-mc band to be shared with forest products & petroleum radio services, 4 unshared higher-powered frequencies in 152-162-mc, 10 general purpose frequencies in 152-162-mc to be shared with forest products & petroleum, 10 pairs of unshared frequencies in 460-470-mc for mobile relay & general production purposes, 2 pairs of unshared frequencies in 460-470-mc for plant security & emergency purposes.

National Assn. of Taxicab Owners Inc. requests 10 additional frequencies in the 150-160-mc band.

National Committee for Utilities Radio estimates there will be need for 6000 assignments in the power radio service within 10 years. The present assignment is 54 channels in the 30-50-mc band, 19 in 152-174-mc, 10 in 450-460-mc. Estimates there will be need in 10 years for 83 in the 30-50-mc band, 23 in 152-174-mc, 20 in 450-460-mc.

National Mobile Radio System proposes that the FCC: (1) Create local boards "which would have jurisdiction over mobile radio bands on a geographical basis." (2) Investigate the possibility of narrowing the bands on all frequencies between 25 & 890 mc. (3) Reallocation of 25-80-mc "on the basis of growth and utilization of radio channels in the last 5 or 10 years, and that allocation of new channels developed in the future be made upon the same basis."

RCA Communications Inc. recommends that frequencies be allocated in the 25-38-mc band for "ionospheric reflection propagation."

Special Industrial Radio Service Assn. urges expansion of allocation to special radio uses whether or not a broad-band common carrier system is established—because such a system "will not supply the type of mobile-to-mobile communications so vital in many special industrial applications."

U.S. Independent Telephone Assn. suggests "transfer of the band 840-890-mc to common carrier fixed" for public telephone service, although it recognizes it is asking for a part of the space set aside by FCC for TV translators.

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WHAT THE ADVISERS ADVISED: The Office of Civil & Defense Mobilization ignored the most important recommendations of the President's Special Advisory Committee on Telecommunications, when it asked Congress to pass a law establishing a 5-man study commission (Vol. 15:6). That's clear from the text of SACT's Dec. 29, 1958 report, released last week by OCDM after the latter had been criticized for withholding it.

A permanent high-level 3-man "National Telecommunications Board" with access to the President was a "must" to manage the Govt's communications resources—SACT told the President and OCDM director Leo A. Hoegh But Hoegh wants only a 1-year study by a group which would be dismissed after submitting its report.

Another significant difference: SACT suggested that new board's members be nominated by the President and confirmed by the Senate. OCDM would have a 5-man commission set up—all appointed by the President without Senate confirmation.

Such differences may be academic for the immediate future, because congressional leaders don't like OCDM's ideas at all—fearing military domination of the study commission—and the White House doesn't like SACT's "permanent board" suggestion. However, the poor management of govt. communications—aside from the problems of split authority over civilian & govt. uses of frequencies—are likely to plague all administrations until they get the recognition they deserve. Among the key paragraphs of SACT's report are these:

"A consideration disquieting to many is the fact . . . that the law establishes a dual control over the radio frequency spectrum, the President having responsibility for govt. use & the FCC for non-govt. use. Thus there is no individual, agency or board invested with the responsibility for the effective use of the radio spectrum as a whole.

"In reviewing the structure as it has developed, the committee was continuously struck by the absence of adequate provisions for high-level consideration on the govt. side of a variety of matters of vital national importance in the area of telecommunications. The FCC provides a vehicle for adequate consideration of the non-govt. area. In sharp contrast, as indicated earlier, decision in the area of govt. use or of conflict between govt. & non-govt. use, are often made by compromises at the operational level by staff members, who though competent in their fields, do not necessarily have the total picture of national interest. There is also an unfortunate absence at present of anyone in the executive branch with adequate knowledge, experience, and stature to act for the President in these matters, and there is not available therein an organization adequate to accumulate the information & experience upon which to base sound action."

As special assignments for the proposed new board, SACT recommended that it conduct a 2-year study of the spectrum, working jointly with the FCC, plus a 2-year evaluation of Govt.'s use of communications.

One SACT suggestion which OCDM did adopt was the idea of beefing up the telecommunications staff within OCDM—and we hear that OCDM is trying to "raid" engineers from other govt. agencies, including FCC Commissioners' own engineering assistants.

EQUAL TIME RELIEF? Long-suffering broadcasters' hopes for legislative relief from—or at least clarification of—political equal-time rigidities of Sec. 315 of the Federal Communications Act brightened on 2 fronts last week.

The FCC itself was reported getting ready to urge Congress to do something about the Commission's own 4-3 letter-of-the-law Lar Daly ruling that newsclip shots of office-holders who are candidates constitute campaign pitches which their opponents are entitled to match (Vol. 15:8-13).

And Chairman Harris (D-Ark.) of the House Commerce Committee, which must clear any Sec. 315 revision, told us "it's almost imperative that something be done." It was his strongest statement yet on equal-time issues, which have been raised repeatedly—but fruitlessly—at other sessions of Congress.

Chairman Magnuson (D-Wash.) of the Senate Commerce Committee, reached at his Seattle home during the Easter recess, was less postive about any need for congressional action. "I'll reserve judgment until I see what the FCC sends up," he told us.

The FCC hadn't agreed in informal discussions on the language of any Sec. 315 recommendations for Capitol Hill. But one Commission source told us "there's going to be some revision suggested, obviously," and that an amendment probably will be proposed to exclude carefully-defined news programs from equal-time requirements. No action by FCC is likely, however, until after an April 17 deadline for filings for reconsideration of the Lar Daly ruling.

Such an FCC-recommended amendment would be in line with a bill (HR-5839) by Rep. Cunningham (R-Neb.) to remove legitimate newscasts from the area of political broadcasts. So far it's the only Sec. 315 measure submitted in either House or Senate, but Harris said he may introduce similar legislation himself. And Sen. Allott (R-Colo.) said he will introduce a companion to the Cunningham Bill when Congress resumes business this week.

"I do have some ideas," Harris said. "In view of what has happened, the matter ought to be clarified. Legislation is desirable, and I plan to have something on it later."

Networks

Slight Drop in Network Volume: The 3 TV networks showed a 1% drop in advertising volume for Jan., compared with Dec., on the latest *Printers' Ink* index of national advertising. Only network TV, weekly magazines and outdoor advertising were off. The comparison for TV is better, however, when made with Jan. a year ago: network TV is up 4% over that month. The general index for all advertising shows a rise of 2% over Dec. but compared with one year ago, it is unchanged. Radio suffers the heaviest percentage drop for the one-year comparison, with a minus 22, Jan. vs. Jan. Women's magazines (—7) and outdoor advtg. (—11) were the 2 other media with decreases. (The last column in the table below shows the average index for 1958, adjusted to reflect a preliminary estimate of national advertising dollars.)

	Index		% change from		1958
	Jan. 1959	Jan. 1958	1 month ago	1 year ago	Year Average
General Index	215	214	+ 2	0	208
Total Magazines	162	161	+ 1	+ 1	154
Weekly	172	169	— 5	+ 2	170
Women's	125	134	+10	— 7	116
General Monthly	210	197	+ 6	+ 7	188
Farm	111	109	+17	+ 2	100
Newspapers	188	188	+ 4	0	185
Network TV	444	427	— 1	+ 4	422
Network Radio	28	36	0	—22	30
Business Papers	232	225	+ 6	+ 3	221
Outdoor	135	152	— 8	—11	157

All indexes have been seasonally adjusted. The index shown for each medium is based on estimated total advertising investments in the medium, including talent, production and media costs. For each medium, the base (100) is an average of total investments in the years 1947-49 except for the TV base which covers the years 1950-52.

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CBS Notes Wall St. Interest: "On [our program] planning boards," Dr. Frank Stanton, pres. of CBS Inc., told the N.Y. Society of Security Analysts last week, "is a project to deal with the whole question of money management for the general audience—a program that will attempt to provide information on investments, budgeting and related matters." Such a TV series, Stanton said, is necessary "to enlarge public understanding of vital financial issues."

He did not elaborate on when such a series would be developed and launched, but the network has been experimenting with 3 hour-long TV programs, titled *The Dollar Debates*, discussing inflation, budgets and taxes, that have given network program staffs what amounts to a shakedown cruise in Wall St. matters.

The CBS president also touched lightly on some financial highlights in the network's own history, such as: In 1949, when TV was still largely an electronic glimmer, net sales at CBS were "about one-fifth as large" as in 1958, and its property, plant, equipment and investments totaled "about one-third of what it is today." CBS "invested $53.1 million in TV broadcasting before we began to make a profit from it."

In reviewing the firm's 1958 report, Stanton said that "To assume we are anywhere near the upper limit of growth, or that the state of the broadcast art is soon going to cease to evolve, is to put oneself in the position of the patent office official who resigned in the 1880's because everything had been invented."

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Long strike against CBC by 75 French language TV producers in Montreal, which started in Jan. (Vol. 15:1) and won support of 1200 other unionized employes of govt.-operated system, has been settled on compromise terms. The producers won CBC recognition of their union (Association des Realisateurs). CBC won a stipulation that the union won't affiliate with any labor federation.

Network Television Billings

January 1959

(For Dec. report see TELEVISION DIGEST, Vol. 15:7)

BEST JANUARY EVER: The total 3-network gross time billings for January were the best in history for that month, TvB reported last week. The figure came to $52 million, a $2.5 million increase over January 1958, representing a 5% rise. ABC had the largest percentage rise for the 6th consecutive month.

Daytime sales increased while nighttime billings dipped slightly. Daytime gross billings were $18.3 million, compared with $15 million for Jan., 1958, an increase of 21.4%. Nighttime was $33.7 million vs. last year's $34.5, a drop of 2.0%. The report for January:

NETWORK TELEVISION

	Jan. 1959	Jan. 1958	% Change
ABC	$10,647,078	$ 9,168,609	+16.1
CBS	22,129,248	22,094,015	+ 0.2
NBC	19,299,853	18,344,111	+ 5.0
Total	$49,606,735	$52,076,179	+ 5

Note: These figures do not represent actual revenues to the networks as they do not divulge their actual net dollar incomes. They're compiled by Broadcast Advertising Reports (BAR) and Leading National Advertisers (LNA) for TV Bureau of Advertising (TvB) on the basis of one-time network rates, or before frequency or cash discounts.

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Day after KGW-TV Portland, Ore. switches from ABC to NBC on April 26, we are told by mgr. Walter Wagstaff, the first full network color feed out of Portland (NBC-TV's *Truth or Consequences*) will originate from KGW-TV's studios.

WHYN-TV (Ch. 40) Springfield-Holyoke, Mass. became a primary ABC-TV affiliate April 1, it was announced by Alfred R. Beckman, ABC-TV v.p. for station relations. Charles N. DeRose is gen. mgr. of the station; Hampden-Hampshire Corp. is licensee.

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Congress

Russian jamming of Voice of America broadcasts has become so intense that the U.S. is using recordings of jammings themselves as a counter-propaganda device. In his semi-annual report to Congress last week, USIA dir. George V. Allen said that tapes of jammed broadcasts from last year's UN General Assembly sessions on the Middle East, showing how the Russians even prevented their own delegate Andrei Gromyko from being heard, were used repeatedly by radio networks abroad. Allen also said VOA signals to Eastern Europe have been improved by rescheduling to concentrate power & circumvent jamming.

Congress has been asked by the Hollywood AFL Film Council to launch a full-scale investigation of so-called "runaway" foreign telefilm & movie production by American producers. Hollywood labor, in making its plea to Congress March 31, said such production "is giving aid & comfort to the Communist conspiracy against the free world." It adopted a resolution to be presented to the national AFL-CIO demanding that the next national labor convention vote in support of a national consumer boycott of all such U.S. pictures.

Search for spectrum experts to head a scheduled House Commerce subcommittee study (Vol. 15:13) continued last week with no staffers selected—and no hearings scheduled. Chairman Harris (D-Ark.) wanted ex-FCC member Dr. Irvin Stewart as staff dir., but Dr. Stewart declined the job, explaining that he had other commitments. He told Harris he'd be available for occasional consultation.

Programming

More about

POST-48 PARADOX: No one in Hollywood seriously doubts that the major studios will sell their post-1948 pictures to TV. The only question involved is when—and for how much. Republic Pictures has already sold its post-1948 product, incurring the wrath of Hollywood talent guilds by not cutting them in for a percentage of the profits. Republic managed this by the simple expedient of going out of production, so that being put on the guild's various "unfair" lists—and it was—became a meaningless gesture. The chances are that when other studios follow suit, they, too, will do so without cutting the guilds in. This may mean they would go out of production, but they would not go out of business; they'd remain as financiers & distributors of independent movie product—a trend which is already under way. (The guilds long ago agreed that the majors could sell TV any movies made prior to Aug. 1, 1948, without paying the creative talent involved; hence the 1948 cutoff date.)

Los Angeles stations—which show no enthusiasm for the post-1948 product—give us varied and provocative reasons for their attitude:

KTTV, which bought the Metro backlog 3 years ago, (with Metro allowed to buy 25% of the station's stock at the time) and has long been an important film buyer, is now making a cautious approach. Program v.p. Bob Breckner told us: "One of the problems to be faced is the fact that most of the post-1948's do not have the quality of the pre-1948's. We pay on the basis of quality & need. There is always a crying need for good pictures, but not for pictures in bulk. The best of the post-1948 pictures were made by independents, and they'll probably hold out longer than the major studios."

KNXT, CBS outlet in Los Angeles and buyer of the entire Paramount pre-1948 backlog last year, has stopped buying. Program dir. Don Hine tells us: "We have 700 Paramount pictures as well as some others, including post-1948 United Artists pictures—and we've stopped buying. We have a 7-year supply, actually, but will probably augment it again in a couple of years. Not all of the Paramount product is usable—some is too old, some not good. We're still screening the pictures. We're interested in talking with anyone who has post-1948's. I've heard that when the majors release them, it will be a few at a time, and the price will be too high. Then there is the problem that so many of these pictures were made in Cinemascope. We are not interested in average pictures."

KCOP gen. mgr. Alvin Flanagan tells us he, too, hears post-48's will be released to TV in small groups. "I'm interested in them, but the price is important. I just don't know. NTA has a package of 88 pictures (pre-1948's) around, and Screen Gems is also offering a package. I'm told NTA is releasing another batch in April some time. I don't think the real big pictures will be on free TV. They'll be on pay TV. That's just as inevitable as the sun. It's progress."

Six hour-long TV shows on Easter Sunday afternoon (4 in color) were said by NBC to comprise the longest unbroken parade of hour-shows in network history. The sequence began at 4 p.m. with Mary Martin, and wound up at 10 with the finish of the *Chevy Show*.

SOAP STILL STRONG: Those serials on TV are still the staple diet of daytime TV and will continue to be the backbone of programs in pre-evening time, we're told by Oscar Katz, v.p. CBS daytime programs.

Katz, in Hollywood for the kickoff of CBS's new daytimer, *On the Go*, with Jack Linkletter as host, says, "The average daytime serial on TV has far more to offer than the radio soaper had. It has far more plot, characterization & sophistication. I don't mean the Hollywood-N.Y. type of sophistication—I mean subjects never touched on in the old days—such as infidelity & unwed mothers.

"We have experimented on these serials, seeking new values. A good example is our *The Verdict Is Yours*. This is really a daytime serial with a strong element of reality added. We retain the soaper type, but add to it with this courtroom element of reality," he explained.

Katz tells us the network has considered filming TV soapers, but finds 2 things against it. "The cost is too high, and there's a question whether telling continuing plots will go over on reruns."

Katz adds that 40% of the CBS daytime programming is soap opera (examples: *Love of Life, As the World Turns & Edge of Night*), and he feels the shows have more stability than any other type of daytime programming.

"There is a slight trend toward rerunning nighttime shows in the daytime, and I look for that to intensify. *Our Miss Brooks, I Love Lucy* and similar shows are ideal for daytime programming on reruns. It brings expensive production & big names to daytime TV in the only way daytime can get them. Eventually the standard route may be for nighttime filmed shows to go daytime before they enter syndication," Katz says.

There is a limited market for kid TV shows. "They're tough to sell," he comments. As an example he points to CBS's *Captain Kangaroo*, "one of the best," but nevertheless a money loser. Costs are high—CBS spends $1 million on it a year. "However, we're considering a new sales plan, to make it cheaper," Katz adds, and the show will stay on indefinitely despite its losses.

Besides *On the Go*, CBS plans for the first time a daytime series of specials called *The Women*. Regular daytime shows will be pre-empted to present them. The first, in May, will ask "Why do they marry young?" The next will probably come on in September. CBS has signed Claudette Colbert as the show's hostess. "Both *On the Go* and the specials are new concepts in daytime TV," Katz says. The Linkletter series, *On the Go*, starts April 27. It will be a mobile show, with Jack introducing people & places as he tours the country.

CBS is also considering one or 2 audience participation shows for its daytime schedule. It had considered a soap version of *Mildred Pierce*, but has dropped the project because of problems.

ABC Films' 8 Series: ABC Films Inc., pres., Henry G. Plitt, now on the Coast lining up new series, tells us he's working on 8. He is reluctant to discuss details of the series until contracts are signed, but expects decisions on most to be reached this week. He did say, however, that ABC films will create series for ABC network & for syndication. "I think," he added, "syndicated programs will have to be action-packed. We have a dual target—to create shows for the network & for syndication or regional sales. We are going to create programs for the network. If the series don't wind up there, we'll release them for syndication or on a regional basis," he said.

Theme Song Value: Look for TV shows next season to rely more heavily on theme songs, in view of the success this season of signature songs created for *77 Sunset Strip* & *Peter Gunn*. Both these series carry leitmotifs that have made considerable impact on the public, and have unquestionably helped ratings & stature. Nor can the lesson of Hollywood movies be ignored: theme songs with picture titles have often bolstered box office receipts.

Theme-song success is, of course, no push-button affair, as some past-season results show. The ballad for *Wyatt Earp* has cut no swath, nor have those for *Wagon Train, Yancy Derringer, Jim Bowie*, or *Shirley Temple's Storybook*.

Nonetheless, telefilm makers, recalling Jack Webb's "dum-de-dum-dum" & Walt Disney's "Davy Crockett," can see real value in theme songs.

Guest Relations: This practice of Hollywood stars trading guest shots on their TV shows—done to get top names yet avoid their going price by the simple expedient of trading—is not without its dangers. For example, Dean Martin, currently sought by Timex to star in 4 spectaculars next season, is hesitant because, by the trading practice, he would be on about a dozen TV shows next season. Martin has always been reluctant about over-exposure.

"After I had Bing Crosby and Phil Harris on my shows this season, I had to guest on theirs. Bob Hope will be on my May 3 show, and that probably means I'll guest on one of his," Martin told us.

However, he'll take the Timex offer. The only question is whether for the 4 specials the sponsor wants, or the 3 Martin prefers.

Meanwhile, Dean's former partner, Jerry Lewis, after doing 2 shows, apparently will not be on TV any more this season. No sponsor. Lewis is currently reactivating his TV film production company, naming Ernest Glucksman as his executive producer. Jerry's company is several years old, but hasn't yet gone into production. He and Paramount are discussing a deal with the studio to finance.

British Post-48's for TV: More than 40 post-1948 features may be released as a TV package this summer by United Artists Associated. Though UA is sitting tight on its backlogs of Hollywood pictures, it has acquired a large group of recent J. Arthur Rank films, via Lopert Films, a UA subsidiary, following the withdrawal of Rank from its attempt to crack the U.S. distributor market with its own firm. Some of the films have American actors.

Some are still involved in theatrical playdates, and a few are so new they've never been seen by U.S. audiences. The UA pattern, we are told will be to "get as many theatrical engagements as possible, then throw them onto the market by mid-1959."

Included are some sizable movie attractions, such as the high-budgeted "A Night to Remember" and "The Pursuit of the Graf Spee."

Using the facilities of KPRC-TV Houston as a production base, a live Western Series sans plot is slated to begin April 30 on NBC-TV. It is entitled *Texas Rodeo*, will be produced on video tape by Saddlerock Corp., Houston, and will feature highlights of classic rodeo contests such as bronc riding & calf roping. The show will replace the filmed Western, *Jefferson Drum*, and will compete with *Lucy* reruns & *Leave It To Beaver* on CBS & ABC.

Stations

Million-Dollar Movies: Investment in film properties made by new stations going on the air can easily rival the total expenditure for the station's physical plant. For example: KPLR-TV St. Louis, new vhf independent (Ch. 11), bowing as the market's 4th outlet in mid-April.

James L. Caddigan, onetime Du Mont executive who is v.p. & gen. mgr. of the station, has so far signed for $1.3 million worth of syndication series & feature-film packages. He has picked up 3 packages from Screen Gems (*78 Powerhouse, Triple Crown*, and *Sweet 65*), one from ABC films (*Anniversary*), and one from Flamingo (*Dream*), plus assorted features from United Artists Associated and Hollywood TV Service.

Availabilities on KPLR-TV film shows are due for presentation to agencies by the station's newly-assigned rep firm, Peters, Griffin, Woodward. WPIX N.Y. & KTLA L.A., both PGW-repped, have sold 80 to 90% of their film availabilities to national or major regional advertisers, usually on 26-week or 52-week deals—a sales rate that has gotten the outlets fairly quickly off the hook on their film costs.

Rep. George P. Hollingbery's pres. Harry H. Wise Jr. adds the following to our recent (Vol. 15:11) spot symposium: "Spot TV in the first quarter of 195[illegible] The 2nd quarter should also be 10% to 15% better than the 2nd of 1958. The 3rd quarter of this year seems to be the pivotal quarter. If we can get by that without any crippling strikes that might paralyze basic industries, I feel 1959 should end up as the best year we have ever had in the spot TV business. We have found spot TV to be an excellent barometer of business conditions in general. If there is any kind of a business slowdown, we feel it almost immediately in spot TV, and conversely, when business is good, and buying is on the increase, spot-TV buying is also on the increase."

Orlando Ch. 9 "influence" case (Vol. 15:13) should be heard by a "special master or other court-appointed officer," rather than FCC, according to WORZ Inc., which had lost the decision to WLOF-TV (Mid-Florida TV Corp.). "The Commissioners are all human," WORZ told the Court of Appeals, "and it is only natural that they would be reluctant to disturb their grant to mid-Florida especially as it has gone ahead and, at considerable expense, constructed its Orlando TV station pending the appeal and has now been on the air for more than one year." WORZ also asked the court to issue a show-cause order requiring FCC and WLOF-TV to come forth & tell the court why WLOF-TV's grant shouldn't be cancelled.

FCC was upheld by the Court of Appeals last week in rejecting a protest by Federal Broadcasting System Inc. (radio WSAY Rochester, N.Y.) against renewal of the license of its competitor WBBF (Star Broadcasting Co.). WSAY had complained that it lost $16,000 in advertising accounts because WBBF gave 25% discounts to sponsors who also patronized Star's WGVA Geneva. WSAY also accused WBBF of "arbitrary refusal" to permit WSAY "to rebroadcast sponsors' programs." The Court of Appeals, which had remanded the case to the FCC in 1956, agreed with the Commission that such discounts "are not per se unreasonable" and that WSAY's request for rebroadcast authority "was patently unreasonable in scope."

NEW AND UPCOMING STATIONS: Revival of WXIX (Ch. 18) Milwaukee as an independent is planned about 30 days after FCC approves transfer to new WXIX Inc. (Vol. 15:13), reports Gene Posner, pres. of Milwaukee Radio WMIL, principal stockholder of WXIX Inc. Transfer papers are to be filed with FCC this week. The station will cater to local advertisers, operate 4 p.m.-midnight daily basically as a film outlet but with live news & weather shows. Studios will be in the Schroeder Hotel where the transmitter is located. Rates are not set. Gill-Perna will be rep. WXIX was taken off air March 31 by CBS, and on the following day Storer's recently acquired WITI-TV (Ch. 6) began as the CBS-TV Milwaukee outlet. The on-air station count changes to 552 (87 uhf).

* * *

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

KHTV (Ch. 27) Portland, Ore., has changed the target for its start as an independent to June 1, reports pres. & 55% owner Wally Matson, also owner of a CATV system there. It has a 1-kw RCA transmitter formerly used by KPTV on same uhf channel, and the remodeling of Signal Hill transmitter house has begun. Engineering has been completed for a 200-ft. Fisher self-supporting tower. Base hour will be $300. Reps will be Gill-Perna and Ayres, Allen & Smith (West [illegible]

WCHU (Ch. 33) Champaign, Ill., planned as satellite of WICS (Ch. 20) Springfield, has set April 23 target for test pattern, May 1 for programming, writes Jerrold (Jerry) Merritt, WICS chief engineer. It has on hand an RCA transmitter, Pylon antenna and all other gear except film equipment. It will use a 50-ft. tower fabricated by Aeromotor Co., Chicago, on the roof of 70-ft. hotel building. WICS base hour is $400. Rep is Young.

Storer Bcstg. Co. last week sold **WAGA Atlanta** to Memphis drug firm Plough Inc. for an undisclosed amount in order to remain within the 7-station limit after purchase of KCOP Los Angeles (Vol. 15:11). Plough also owns WMPS Memphis, WJJD Chicago, WCAO Baltimore and WCOP Boston. After FCC approval, Plough will vacate present WAGA quarters which will be used for expansion of Storer's WAGA-TV facilities. Other radio station sales last week: **KROW Oakland, Cal.,** by Sheldon Sackett, longtime newspaper & radio man, for $800,000 to McLendon Investment Corp., owners of KILT Houston and KILF Dallas . . . **WEDR Birmingham, Ala.,** by Edwin Estes (WMOZ Mobile & WPFA Pensacola) for $225,000 to Washington auto dealer Vincent Sheehy Jr. and ex-WTTG mgr. James Bonfils . . . **WTTT Arlington, Fla.,** by Harold King (WTHR Panama City, WDAT Daytona Beach, WFAB Miami) for $125,000 to Theodore Weber, ex-CBS publicity & promotion dir. and more recently adv. mgr. of *Philadelphia Daily News*, and his wife . . . **KGHI Little Rock, Ark.,** by the same Harold King for $125,000 to Washington realtor Michael Heller and theater exec. Eugene Kramer . . . **KTUR Turlock, Cal.,** by A. R. McMillen & Assoc. for $115,000 to Cleveland group headed by TV-radio personality Danny Landau . . . **WALY Herkimer, N.Y.,** by Louis Adelman and Washington lawyers Krieger & Jorgensen for $75,000 to George Baker, ex-program mgr. of WRC-TV Washington and fellow National Academy of Science employe Richard Thorman. Broker for KTUR was Allen Kander & Co. Blackburn & Co. was broker for all others except WAGA & KROW.

Station Boycotts Okayed: It's all right for an ousted union to picket TV & radio stations and conduct advertiser boycott campaigns against them if the purpose is to increase revenues of unionized competitors—and not to force re-recognition of the union, the NLRB decided last week.

The ruling came in a tangled case involving WKRG-TV & WKRG Mobile, Ala. and IBEW radio broadcast Local 1264, which lost its bargaining rights in 1957 in an NLRB representation election. IBEW members then picketed the stations to denounce them as non-union, asked 100 advertisers to transfer business from WKRG-TV & WKRG to other area stations, distributed lists of sponsors who persisted in patronizing the 2 stations. Management of WKRG-TV & WKRG charged that these activities were Taft-Hartley Act violations because they were attempts to make the stations negotiate with the no-longer-recognized union. The IBEW insisted that its only aims were to protect contracts of members at the other stations and help them get more business.

NLRB examiner William F. Scharnikow, upheld by 3 board members who participated in the case, recommended dismissal of the management complaint against the IBEW on ground that minority picketing & boycotts are unlawful only if union recognition is the objective.

Tighter license renewal rules for privately-operated Canadian radio stations were announced last week by the new Board of Broadcast Governors. Renewals no longer will be "considered to be automatic" but will be based on "performance of stations in the light of the responsibilities placed on the board under the Broadcasting Act," said chairman Dr. Andrew Steward in Toronto. A proposed change in regulations also will make it possible for the board to renew licenses in a staggered system for less than 5 years. The present rule provides that they "shall continue in force for a period of 5 years." If approved by the Minister of Transport, the new system would apply to 171 licenses up for renewal April 1.

CBC Board of Broadcast Governors has recommended the approval of 5 TV licenses to Canadian Bcstg. Corp. for: Corner Brook, Nfld. (Ch. 5), Kenora, Ont. (Ch. 8), Moncton, N.B. (Ch. 11), Trail, B.C. (Ch. 11), and French language outlet in Winnipeg (St. Boniface), Man. (Ch. 6). Other recommendations were for licenses to Stanley Shenkman (on behalf of firm to be incorporated) for Cornwall, Ont. (Ch. 8), and to CHBC-TV, Kelowna, B.C. For a satellite at Princeton, B.C. (Ch. 70). The request by J. M. Cameron for a grant in New Glasgow, N.S. (Ch. 7) was denied.

WEAR-TV (Ch. 3) Pensacola, Fla. was sold last week for $1.5 million to Rollins Telecasting Inc., owner of WPTZ (Ch. 5) Plattsburgh, N. Y. and applicant for Ch. 12 in Wilmington, Del. by Charles W. Smith, Mel Wheeler Associates. Wheeler, who owns WJDM (Ch. 7) Panama City, Fla., will remain as mgr. of WEAR-TV. Rollins also owns radios WJWL Georgetown, Del., WAMS Wilmington, WRAP Norfolk, WNJR Newark, WBEE Harvey, Ill., WGEE Indianapolis & KATZ St. Louis. Broker in the deal was Blackburn & Co.

Miami Ch. 7 case was reopened by the FCC last week as expected, and a hearing will be conducted, starting at a date to be selected. The issues will be similar to those in the Miami Ch. 10 & Boston Ch. 5 proceedings—to find out whether any Commissioners or applicants were involved in back-door "influence" pitches. The Ch. 7 decision was won by WCKT. FCC's latest move stems from allegations made last year before the Harris subcommittee.

Efficiency study of NAB headquarters operations, authorized by TV & radio boards at Miami sessions in Feb. (Vol. 15:6), has been started by Stewart-Dougall & Assoc. Inc., N. Y. management consulting firm (30 Rockefeller Plaza). Purposes of the survey, first of its kind, are to determine whether the NAB staff is organized properly and whether members are receiving adequate services. No deadline for a report was set, but one is expected this year.

Single **TV application** filed last week was by KVLF for Ch. 12 in Alpine, Tex. Total applications outstanding are now 91 (17 uhf).

The expired CP of WAIM-TV (Ch. 40) Anderson, S. C., was reinstated by FCC last week, and the station was given special temporary authority to operate until July 1.

New zoom lens for TV studio use has been announced jointly by BBC and Taylor, Taylor & Hobson div. of Rank Precision Industries Ltd., London.

Auxiliary Services

Experimental 250-watt Ch. 10 co-channel booster was granted by the FCC last week to WTEN (Ch. 10) Albany, N.Y. The opposition by WJAR-TV (Ch. 10) Providence was rejected, the Commission said, because the experimental station would be permitted to operate only during hours when WJAR-TV is off the air—thus causing no interference. Meanwhile, WFBG-TV (Ch. 10) Altoona defended its application for a co-channel experimental booster in Johnstown (Vol. 15:11-12) against oposition filed by Johnstown's WJAC-TV (Ch. 6) & WARD-TV (Ch. 56) by asserting its program includes original field-test research into "precision offset," etc. WFBG-TV engineering consultant Frank Kear states: "WJAC Inc. also suggests that the proposed experiment might better be carried out under controlled laboratory conditions. Such a recommendation is patently absurd. Numerous laboratory experiments over a long period of time have established certain facts concerning the ratio of desired-to-undesired signal to produce a picture of predetermined quality. However, laboratory tests cannot predict the extent to which a given ratio of desired-to-undesired signal or a preferred signal-to-noise ratio can be maintained throughout a service area under actual conditions of rough terrain [in the] Johnstown area."

Extensive FM background music schedule offered by TV Cable Corp., Kingsport, Tenn. community antenna system, comprises 3 monaural channels and one stereo—in addition to 5 TV signals. The aural material is delivered via FM—88.75, 89.60 & 90.5 mc for the monoaural, 88.75 & 89.60 for the stereo. The system uses 6 eight-hour tape recorders (Magnecorder & Alto-fonic) and programs from 6:30 a.m. to 2 a.m. the next day. The system reports about 200 homes, offices, industrial plants, etc. taking the new service. It charges home owners $1.50 plus 12¢ tax annually for aural service. Commercial establishments pay on the basis of number of speakers—$15 a month for 2 speakers, graduated up to a maximum of $35 a month for 10 or more speakers.

Three translator CPs—on Ch. 73, 77 & 83—were granted by FCC last week to Quincy Valley TV Inc., Quincy, Wash. FCC also reinstated the expired Ch. 78 CP of Libby Video Club, Libby, Mont.

Translator starts: K71AQ Milton-Freewater, Ore. began March 18 repeating KHQ-TV Spokane . . . W79AB Palmerton-Slatedale-Slatington, Pa. began March 5 with WOR-TV N. Y.

Educational Television

ETV—'4TH MAJOR NETWORK': Give educational telecasters 5 more years to spread, and NET (National Educational TV & Radio Center) will rank with CBS, NBC & ABC among viewers as a national network, pres. John F. White predicted last week.

Keynoting a one-day net-sponsored "forecast for the future" conference in Washington, White said he isn't as "expansive" about ETV as GE's Paul Chamberlain, who thinks educational stations will outnumber commercial outlets in 10 years (Vol. 14:39).

But he told representatives of 61 educational, scientific, religious & civic organizations at the sessions, that NET not only will be "recognized as the 4th major TV network" by 1964, but within 10 years "every major city & many smaller ones also will have at least one educational TV station on the air—and a large number of them will be operating multiple channels."

White cited ETV's growth from its on-air start in May 1953 with the U of Houston's KUHT, to the 42 stations operating now & 18 CPs outstanding. "We will give the malcontent minority the substance it craves; we will offer the majority an opportunity for new adventures in learning," he promised.

One reason for non-commercial TV's advance against financial odds and commercial competition for viewers was suggested by gen. mgr. James Day of KQED San Francisco, which has chronic trouble meeting payrolls. He said viewers used to write: "We like your programs because there aren't any commercials." Now they say "We like your programs because we are tired of being entertained."

Said exec. dir. Ralph Steetle of the Joint Council on Educational TV: "The future is unlimited for educational TV because it is a positive & substantive effort to provide educational values at all levels of influence. ETV has not been built upon the temporary discontent with the changing program face of commercial TV. Indeed, it has frequently been aided by its colleagues in the industry."

FCC Chairman Doerfer and Cmrs. Hyde, Cross & Ford attended a luncheon session, but made no speeches. Another guest of the conference was ex-Comr. Frieda B. Hennock, an insistent advocate of ETV during her 1948-1955 term. Joining with NET in the meeting was the Advisory Council on Educational TV.

Grant & Move for ETV Center: Final ETV grant of $5-million by Ford Foundation to National Educational TV & Radio Center, to be applied to operating expenses for 5 years starting next Jan., was announced last week as Center headquarters were moved from Ann Arbor to N.Y.'s Coliseum Bldg. The Center was started in 1953 with $1,350,000 from the Foundation. Subsequent grants brought total contributions to $6,565,390 in the 6 years since.

Foundation pres. Henry T. Heald said the Center "eventually must totally rely upon a broad base of support from public school systems, colleges & universities, commercial broadcasters, community contributions, local foundations, and business & industry."

Funds were announced in another action by the Foundation to continue support for the 3rd and 4th year —through the 1960-61 school year—of the National Program in the Use of TV in Public Schools. The program is presently aiding TV classroom instruction in 11 cities and will expand to include systems in Des Moines, central Mich., central Ohio, western Fla. and Anaheim, Calif.

Television Digest

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Personals: Edmund W. Pugh Jr., treas., Coca-Cola Co., appointed v.p.-finance, CBS Inc., starting May 1 . . . **Robert H. Van Roo**, ex-WXIX Milwaukee, named v.p. & gen. mgr., WTCN-TV & WTCN Minneapolis-St. Paul . . . **Allan B. Connal** promoted to operations mgr., WRCA-TV N.Y. **Manny Sternfeld** to accounting & budgets mgr., WRCA-TV & WRCA . . . **Alan D. Courtney & Carl Lindemann Jr.** have been promoted to program v.p.'s, NBC-TV .. . **Philip Luttinger**, ex-Bresnick Adv., Boston, appointed research projects supervisor fro CBS-TV . . .**Ira Delumen** named to newly-created post of sales service mgr., production sales, CBS-TV operations dept., moving from present post of dir., administrative services . . . **Rolland V. Tooke**, Cleveland area v.p. of Westinghouse Bcstg. outlets KYW-TV & KYW, appointed exec. v.p. of WBC group, effective May 1 . . . **William G. Hunefeld**, currently on sales staff of KPIX San Francisco, named mgr. of the Los Angeles office of newly formed, Westinghouse-controlled Television Advertising Representatives . . . **Frank Sheehan** named western district mgr., Arrow Productions, rerun film subsid. of Independent TV Corp. . . . **Arthur Spirt** named a v.p. of NTA program sales, a div. of NTA, headquarters in Chicago. . . . **Donald J. Quinn**, ex-McGavren-Quinn rep, named gen. sales mgr. WNTA-TV, Newark-N.Y. . . . **James A. Yergin** named adv. & promotion dir., WOR div., which encompasses WOR-TV & radio N.Y. . . .**G. Richard Swift** named pres., Bolling Co. TV div. **G. William Bolling III** becomes v.p., asst. to pres. & pres. of radio div. **Henry J. O'Neill** appointed N.Y. TV sales mgr.; **Lloyd A. Raskopf**, N.Y. radio sales mgr. . . . **Carl G. Zimmerman**, former producer of *The Big Picture*, named news dir. of Storer's WITI-TV Milwaukee . . . **Martin Codel**, ex-owner, and now assoc. publisher of TELEVISION DIGEST, has opened new offices in Washington's new Solar Bldg., 16th & K Sts., NW (Telephone: District 7-9292). He plans to enter the book publishing business, among other activities . . . **Joseph A. Ryan**, ex-NBC-TV business & trade editor, appointed p.r. dir., WBZ-TV Boston, starting May 4, succeeding **Fran Corcoran**, named to new post of community relations dir. . . . **Robert M. Grebe**, ex-ABC trade news editor, appointed p.r. dir., TvB. He is succeeded at ABC by **Art Foley** . . . **W. D. (Dub) Rogers**, pres. & gen. mgr., Texas Telecasting Inc. (KDUB-TV Lubbock, KPAR-TV Sweetwater-Abilene, KEDY-TV Big Spring, and radio KDUB Lubbock), has been renamed pres., Lubbock Chamber of Commerce . . . **Dr. Arthur L. Lebel**, asst. chief, State Dept. telecommunications div., is serving as chairman of U.S. delegation to 9th plenary assembly of TV's International Radio Consultative Committee (CCIR), which is meeting April 1-30 in Los Angeles. He's also chairman of the whole assembly. . . . **Larry Lowenstein**, special services dir., CBS-TV, will become exec. dir., Rogers & Cowan N.Y. office . . . **Robert J. Mullen**, ex-Traction Adv., appointed gen. mgr., Cincinnati office of WLW Promotions Inc., transit adv. div. of Crosley Broadcasting Corp. . . . **Mike Shapiro**, WFAA-TV Dallas, elected pres., Assn. of Bcstg. Executives of Texas, succeeding **Howard Fisher**, Rogers & Smith Adv., Dallas . . . **Norman S. Ginsburg**, ex-NBC film div., appointed asst. sales promotion mgr., CBS Radio Spot Sales . . . **Fly, Shuebruk, Blume & Gaguine**, Washington broadcast attorneys, moved April 1 to City Bank Bldg., 1612 K St. NW. Same phone . . . **Cottone & Scheiner**, Washington TV-radio law firm, has moved to 1001 Connecticut Ave., NW. Same phone . . . **Andre Ouimet**, dir. of TV for Montreal, appointed planning dir., CBC . . . **Jean Nadon**, mgr. of CJMS Montreal, elected pres., l'Association Canadienne de la Radio & de la Television de Langue Francaise (French-language section of Canadian Association of Broadcasters). **Maurice Dansereau**, CHLN Trois-Rivieres, named v.p.; **Andre Daveuy**, CKAC Montreal, secy.-treas. . . . **William G. Rolley**, ex-WCAU Philadelphia, named gen. sales mgr., Theatre Network TV Inc. (closed circuit). . . . **Ely A. Landau**, NTA chairman, and **Oliver A. Unger**, pres. of recently-acquired National Theatres subsidiary, formally elected to parent company's board. **William H. Hudson**, petroleum producer, and **Burt Kleiner**, investment banker, also named National Theatres directors . . . **Vernon Burns**, NTA International v.p. & managing dir., National Telefilm Associates Inc., has been placed in charge of all operations in the United Kingdom, Europe, the Near East & Africa. **Samuel Gang** promoted to sales dir. for Latin America, the Far East & Australasia . . . **Kevin O'Sullivan** named regional sales mgr., N.Y. div. of Independent Television Corp. **George Gray** appointed Northeast district mgr., syndicated sales . . . **Harry Sohigian**, ex-TELEVISION DIGEST, Washington, establishes Mercury House Inc., advertising-public relations firm specializing in TV-radio-electronics, 1830 Jefferson Pl. NW, Washington (District 7-6669) . . . **Clifton Utley**, NBC Chicago commentator retires, for health, from daily programs on WNBQ and WMAQ radio, will continue WMAQ Sunday stint . . . **Leon A. Kreger** elected creative mktg. v.p., Wilding Picture Productions.

■

Ralph H. Garrett promoted to chief of FCC's aural new & changed facilities branch, broadcast bureau, and **John D. Fulmer** to chief of license, administration & service regulation branch, public safety & amateur div.

John B. "Steve" Conley, special asst. to pres., Westinghouse Bcstg. Co. & former gen. mgr., Westinghouse Radio Stations Inc., retiring after 34 years with WBC & Westinghouse Elec. Corp., was last week tendered a testimonial dinner by the N.Y. exec. staff & station executives.

Russell L. Heberling, who died on March 7 (Vol. 15:11) left his entire estate, estimated at $250,000, to his widow.

Obituary

Robert P. Speer, 43, special asst. to dir. of U.S. Information Agency, died March 30 of lung cancer. Surviving are his son, parents and a brother.

Tom Harker, retired national sales dir., Storer Bcstg. Co. died March 13, after long illness, in Long Beach, Calif.

Dr. Edward Lester Lloyd, 55, London business consultant & former exec. v.p. of A. C. Nielsen Co., died March 30.

Advertising

PONTIAC'S $4-MILLION STRAIGHT 8: Pontiac will continue its present TV formula of soft-spoken, soft-sell commercials & musical specials during the 1959-1960 season. Total TV billings, via MacManus, John & Adams agency, for an 8-show schedule are expected to top $4 million—about twice what Pontiac was spending in TV a couple of seasons ago.

Just 3 seasons ago, MJ&A wasn't convinced that network TV could sell cars, and said so in a now-historic statement. Today v.p. Henry G. Fownes & other MJ&A executives have no doubt that TV can do a sales job—provided the approach is a fresh one.

"For auto commercials on TV," says Fownes, "It's not enough any more just to transport viewers to the General Motors proving grounds. The public is saturated with this cliché. The road test commercial has just about had it."

To get away from what Fownes calls "the sacred cows of auto demonstration selling," MJ&A has been heading, more and more, in the past 2 years toward a subtle brand of Pontiac TV sell. A carefully picked team in N.Y. & Detroit has evolved such blends of clever copy, music and TV I.Q. as the Mike Nichols-Elaine May takeoff on soap operas that formed one of the 2½-min. commercials in Pontiac's Phil Silvers special.

Does a soft-sell commercial get across? "Trendex gave us a sponsor identification of 93% for that show," Fownes told us. "Most auto sponsors would be lucky to get a quarter of that figure with a routine TV buy. We found, in a survey, that the majority of viewers could play back almost all of the sales points in the commercial—even though we sneaked in the sell without belting anybody. Apart from this, we find that a sizeable number of viewers tell us they intend to visit their Pontiac dealer out of sheer gratitude next time they're buying a car."

The final evidence of a TV campaign is, of course, sales. And Pontiac has moved up in the past 2 years from 6th place in the auto industry to a tie with Olds for 4th.

Fownes believes TV still "is not the prime salesman for cars that it is for soap & cigarets." But that its best sales foot is forward for Pontiac when the selling is low pressure & the show has "excitement"—i.e., name values, a promotional build-up, and the feeling of being a special event. "Then, TV becomes a prime ambassador for us, taking Pontiac out of the realm of being a reliable but stodgy car into a glamour area."

Would the restyled Pontiac commercials work as well in an alternate-week film show as in a big-budget special with Victor Borge, such as the one planned for video tape shooting this summer in Copenhagen?

"Definitely not," says Fownes. "You need the right framework for that kind of commercial, and you'll only get it in a special. Also, buying a big show enables the advertiser to take a full 2½ mins. for a commercial to do a creative selling job."

WCNY-TV Carthage-Watertown, N.Y., raises its base hour from $250 to $300, min. from $50 to $60 effective April 1. This corrects the figures stated in Vol. 15:13.

Station Rate Increases

Station:	Base Hour	Minute	Date
WABC-TV New York	$4150 to $4250	$950 to $1110	March 15
KTRK-TV Houston, Tex.	$1000 to $1100	$250 to $ 275	March 13
KTBS-TV Shreveport, La.	$ 500 to $ 550	$125 to $ 150	April 1
WTVO Rockford, Ill.	$ 350 to $ 400	$ 70 to $ 80	April 1
KNAC-TV Fort Smith, Ark.	$ 250 to $ 300	$ 50 to $ 60	April 1

Schwerin Swears by Specials: Confirming the suggestion made earlier this year by Ed Murrow, Schwerin Research Corp. released a study this month indicating that "documentary & public service programs gain very strong approval for their sponsors."

Other Schwerin findings from its survey of test audiences: "Specials" do about 50% better than half-hour weekly non-dramatic shows in gaining viewer approval of the sponsor. Dramatic specials are slightly more influential than musicals. The good will toward the sponsor is not particularly lessened by specials that emerge as "turkeys" —viewers apparently are willing to appreciate the effort, if not the result. But this tolerance does not exist for the non-special, general run of half-hour film shows. Mediocre shows in this category, Schwerin says, have lowered viewer respect for the sponsor.

Schwerin also reported on another study it had made —this one on "before-&-after" commercials. Researchers studied 350 representative 60-second commercials, and assigned them "effectiveness indexes." The before-&-after film spots—about a quarter of the total—were substantially more effective than other types.

People: **Latham Ovens** and **Warren Sumner** elected Donahue & Coe v.p.'s . . . **Robert W. Bode** & **Donald S. Gibbs** elected senior v.p.'c Kudner Agency . . . **G. T. C. Fry** & **Robert R. Burton** promoted to senior v.p.'s, Kenyon & Eckhardt . . . **Harry Burton**, ex-BBDO, appointed v.p., McCann-Erickson, Los Angeles office . . . **Alvin Kabaker**, Compton Adv. TV-radio v.p., named gen. mgr., Los Angeles office . . . **Seymour Molbegott** promoted to new post of sales promotion mgr., Pepsodent div., Lever Bros. . . . **Ben Norman**, ex-Doyle, Dane, Bernbach, joins Cunningham & Walsh TV-radio dept. . . . **Perry L. Shupert**, sales & adv. v.p., Miles Labs, named treas., Advertising Federation of America succeeding **David H. Kutner**, distribution mgr., Motorola . . . **James F. Egan**, **Robert Hayes** & **Harry M. Ireland** named senior v.p.'s, Doherty, Clifford, Steers & Shenfield . . . **Stanley J. Keyes Jr.**, former pres. of St. George & Keyes Adv., named chairman of newly formed Adams & Keyes Inc. B. D. Adams is pres.; **Edward C. Hoffman**, exec. v.p.; **Alfred A. Anthony**, **Thomas Dixcy** & **Jack Hardy**, senior v.p.'s; **James H. Cobb**, **James J. Freeman**, **Thomas A. Gullette**, **William D. Sloan** & **Robert J. Black**, v.p.'s . . . **Harry E. Beekman** named chairman; **Joseph L. Packard**, pres.; **Nicholas G. Ciangio**, exec. v.p.; **H. Edward Beekman Jr.**, secy.-treas., and **William Wilbur**, senior v.p., newly formed Wilbur-Ciangio, Beekman & Packard Adv. . . . **Carroll L. Cheverie**, ex-H. B. Humphrey, Alley & Richards, appointed treas., Clinton E. Frank . . . **Leonard Eisen**, formerely with Pulse, joins Lubell Adv. Assoc. . . . **Marilyn Doorley** promoted to media dir., Doyle, Dane, Bernbach Los Angeles office . . . **Joseph D. Onofrio**, ex-Leo Burnett Co., and **William E. Smith**, ex-Burroughs Corp., have formed Onofrio & Smith Inc., adv., & p.r., 550 Fifth Ave., N.Y. . . . **William Rich**, ex-Newton Adv., is pres. of newly formed Rich, Bryan & Curtis Adv. (50 E. 42nd St., N.Y.) . . . **J. Wesley Rosberg**, senior v.p., The Buchen Company Adv., appointed to technical comm. of Advertising Research Foundation . . . **Alan Peers** named v.p., Kameny Assoc.

GE's **Willard H. Sahloff**, housewares and radio v.p., to Marie Torre, on subject of GE's show, *College Bowl* (on which college students match wits): "We're killing 2 birds with one stone. We're contributing to a field that needs helping, and we're winning friends for our products. We're trying to sell a philosophy—and the hell with the rating!"

Compton Loses TV Account: TV-oriented Chase & Sanborn instant & regular coffees—which spends some $4 million annually for time & production costs in network TV, and about $2.5 million in spot TV—left the Compton agency last week, and shifted back to J. Walter Thompson, which it had left 10 years ago.

Compton, which is heavily (some 60% of billings) in TV, is playing an active role in the print-vs.-TV media rivalry. Compton's plan (Vol. 15:12) is for a number of major magazines (thus far, *Look, SatEvePost, Newsweek*) to carry spreads aimed at creating "that TV-guilty feeling" among viewers who would rather spend most evenings watching than reading.

J. Walter Thompson, the current leader in the ad industry in agency TV billings, carefully avoids inter-media squabbles.

* * * *

Besides Compton plan adopted by some magazines, entire magazine industry is represented in 2 positive campaigns in progress. The first of these was launched March 30 in *Advertising Age*, and continues in 5 subsequent issues, using testimonials by advertisers extolling magazines. Members of the Magazine Publishers Assn. are also financing a 40-page promotional booklet insert in *Western Advertising* and *Sales Management* which will carry testimonials from 36 national advertisers. The two efforts, totaling expenditure of more than $100,000 will stress the theme that more national advertisers sell in magazines than in all other major media combined.

In Other Media: Color is moving forward on the newspaper front. Color advertising (run-of-paper) was up 7.2% in 1958 over 1957, reports *Editor & Publisher*. The new total, 122.6 million lines, is an all-time peak . . . Rudolf Flesch, Viennese-born expert on the English language, is the latest to join the print-media commentators on the subject of TV. It will be one of the topics to be covered by his new thrice-weekly *Register & Tribune* syndicated newspaper column, to be launched this week . . . *SatEvePost* reported $750,000 in liquor linage for 1958's last quarter, expects $5 million in liquor revenue for 1959 . . . *Newsweek* reports 1959's first quarter as its highest yet in ad income: $5,430,103. Circulation was also at a high.

Copy research—the evaluation of advertising messages—is being "dangerously skimped" by advertisers who "spend millions on space & time, but refuse to spend a penny on evaluating the message used in that space & time." So said David Ogilvy, pres. of Ogilvy, Benson & Mather, to the Advertising Research Workshop of the Assoc. of Natl. Advertisers in N.Y last week. He termed the practice among advertisers of making agencies pay for such research as "short-sighted," stating that agencies can't afford this "because their profits have shrunk to 0.6% of sales." A similar plea was made by Henry Schachte, exec. v.p. of Lever Bros. & ch. of ANA board.

RAB's Miles David, promotion dir., last week gave a bullish pat-on-the-back modern radio commercials, terming them "the most creative in history" in a tape-recorded panel discussion staged by the Trenton, N.J. ad agency of Eldridge, Inc. David declared enthusiastically: "Creative people are discovering you can paint better pictures with ideas than you can with anything else. The trick is to generate the ideas, and that's being done today in radio better than ever before."

TV & radio advertising awards have been set up by the Canadian Assn. of Broadcasters, Box 627, Ottawa.

Film & Tape

TV Labor Talks It Over: An inter-union meeting in N.Y. last week explored "labor unity" in the face of fast-breaking industry changes caused by such technical developments as video tape, and a deadlocked situation between commercial film producers & a major craft union.

Officials of unions representing TV technicians (NABET, IBEW, IATSE) and talent (AFTRA, RTDG, WGA, but not SAG) met at the invitation of NABET in a closed-door session at the Belmont Plaza.

Gist of the session: The technical unions, worried about a network changeover to Mon.-thru-Fri. production of live shows via tape, wanted to discuss such AFTRA arrangements as the recent talent contracts that cover tape on a per-show, rather than hourly, basis, and have clauses preventing stockpiling of shows within 60 days of contract renewals. In addition, international sales & production of taped TV shows were explored, as well as "automated" radio stations. On another score, the technicians felt out AFTRA and the other talent unions concerning the honoring of "united front" picket lines.

No immediate solution is in sight in the current labor dispute between the Film Producers Assn.—an industry group composed of N.Y. telefilm & commercial producers —and United Scenic Artists Local 829, now picketing 6 leading production firms. The issue between the union, representing set designers & construction crews, and the producers is not a contract renewal.

Local 829 wants the FPA to agree to "promulgated rates" largely derived by negotiation with theatrical producers. FPA wants to draw up its own contract, and says it is willing to arbitrate at any time, but won't in the meantime pay a union increase.

Hal Roach Studios were closed down for an indefinite period following the decision of the board of Scranton Corp. to ask a federal court to appoint a receiver or trustee for the company. Meanwhile, the Jack Wrather Organization moved its *Oh Susanna* from the Roach lot to Desilu-Culver. *The Dennis O'Keefe Show* is also expected to move to Desilu-Culver. At Roach Studios, telephone service was cut off April 2. Studio officials hope the appointment of a receiver will pave the way for quick sale of the enterprise. Scranton, which last Friday received court permission to reorganize under the Bankruptcy Act, owns 100% of the studio's stock. Controlling interest in Scranton is owned by F. L. Jacobs Co., now in the hands of 2 sets of receivers & one set of trustees, and involved in extensive litigation.

United Artists is blueprinting a plan whereby its independent movie producers would produce segments of anthology series to be packaged and sold by United Artists TV. V.p. Bruce Eels is in Hollywood discussing this project with UA producers, who include such independents as Hecht-Hill-Lancaster, Mirisch Co., Edward Small, Seven Arts Productions, Otto Preminger Productions, Batjac, and Dore Schary's company. Most are understood to have agreed to join in the TV project. UA TV plans both a one-hour and a half-hour weekly dramatic anthology series, as well as a series of 12 one-a-month 90-minute specials. Individual films may be pilots for prospective series.

Milton Berle & George Burns have formed B&B productions in Hollywood. They plan several TV film series, the first of which will be *The Milton Berle Comedy Theatre,* a half-hour anthology series of 39, with Berle hosting all and starring in 13, Burns producing.

New York Roundup: Benton & Bowles may become the first major agency to set up a tape commercials dept. within its TV structure . . . The first CBS Films series to be scheduled for color production will roll its pilot film in France on April 24. It's *The Man from Antibes,* a Sam Gallu production starring Robert Alda & Melville Cooper . . . Ziv TV now has 22 TV series (mostly reruns of previously released U.S. series dubbed or titled) in foreign syndication, with sales reported by Ed Stern, head of Ziv International, in 37 countries. The growing foreign market has prompted Stern to set a 200% sales increase as the firm's goal in the next 3 years . . . United Artists Associated, feature-selling offshoot of UA, scored a hot sales week, with a total of 20 station sales of various feature and cartoon packages. Three of the sales, all to small outlets, were for the entire UAA libraries . . . The fast recapture by Official Films of some 400,000 shares of stock acquired in 1956 by Dick Powell, David Niven and Charles Boyer in a stock-for-films deal has an interesting inside story, sources in N.Y. relate. Real reason for the quick purchase of its stock (which took almost all of the available funds of the film distributor) is that fast-expanding Buckeye Corp. tried to buy the stock in Hollywood. Official, fearing a loss of control, rounded up the funds almost overnight to head off Buckeye . . . Bristol-Myers and Sun Oil, sponsors of N.Y. airings of Ziv's *Sea Hunt* syndicated series, were notified a few weeks back that they'd have to vacate their Saturday-night 10:30-11 spot on WCBS-TV for an incoming Ray Milland network show. Since *Sea Hunt* has been scoring strong local ratings, both sponsors protested vigorously, but the network was firm. WCBS-TV offered other slots as an alternative. Into the deadlock stepped WABC-TV, which offered the same time slot & the largest promotion budget in WABC's history for a syndicated show, and landed the business.

TV Recorder Shipments: Ampex shipped 40 more Videotape Recorders to 19 customers during March, including recorders ordered at the NAB convention.

These stations received the first recorders in their market areas, according to Ampex: WLWT Cincinnati, KFMB-TV San Diego, KGBT Harlingen, Tex., WDAF-TV Kansas City, KTNT-TV Tacoma, Wash., KTEN Ada, Okla., KFJZ-TV Ft. Worth, Tex. Other stations receiving recorders in March: WFLA-TV Tampa, KTRK-TV Houston, WPRO-TV Providence.

Other recorder shipments: TV de Mexico (7); Sports Network, N.Y.; Mobile Video Tape Services, Los Angeles; John Guedel Productions, Los Angeles; Peter DeMet Productions, Chicago; Convair Inc., Benbrook, Tex.; Sakata Shokai, Japanese Ampex distributor (4); Siemens & Halske, Germany, European distributor; Rank Cintel, London.

Ampex's Videotape Cruiser bus continued its barnstorming tour of U.S. industries & production centers with a visit to Detroit, where it was viewed in action by nearly 500 auto industry executives.

Commercial film firm, Robert Lawrence Productions, N.Y., continues to thrive, despite the competition from video tape. It lists a current total of 112 TV commercials being filmed, a new peak for the 7-year-old company.

SMPTE's 85th convention May 4-8 in the Fontainebleau Hotel, Miami Beach, will have "Films & TV for International Communication" as its theme. Gen. John Bruce Medaris, army missile chief at Huntsville, Ala., will be a special speaker.

Hollywood Roundup: Desi Arnaz is back from Jamaica, where he conferred last week with CBS bd. ch. William Paley on Desilu's new product for next season, including Desilu Playhouse . . . Mark Goodson & William Todman are in from N.Y. for a look at their new telefilm properties now in production . . . NTA national sales mgr. Johnny Graff is here for sales meetings . . . AB-PT pres. Leonard Goldenson arrived this week from N.Y. for network conferences. Also here for ABC is Henry Plitt, making his first coast visit since being named pres. of ABC Films . . . Guild Films pres. John J. Cole is here to discuss 2 tape deals with KCOP . . . Samuel Schneider, ex-Warner Bros. v.p. and Jack M. Warner are forming Jack M. Warner Productions, an independent company to produce movies, TV film series and commercial & industrial pictures. Schneider will be pres. His associate is the son of Warner Bros. pres. Jack L. Warner . . . *Helimarines,* a projected half-hour 20th-Fox TV series, is being expanded into an hour-long venture, based on U.S. Marine Corps operations. The producer is Herbert B. Swope Jr. . . . MCA joined Jack Chertok & Edmond O'Brien's Emerald Productions for a 3-way partnership on *Johnny Midnight,* new private-eye series which Chertok will produce, with O'Brien starring. MCA is financing the pilot . . . Ziv-TV has signed Walter Doniger to a 3-year exclusive contract as producer-director-writer . . . Jack Benny & George Gobel will alternate half-hours on their shows on CBS next season in Sunday 10 p.m. time slot, with Lever Bros. sponsoring . . . R. J. Reynolds bought two Revue series, *Johnny Staccato* (private-eye) starring John Cassavetes & Chick Chandler, and *Shotgun Slade* (Western) starring Scott Brady . . . Guild Films have arranged with XETV Tijuana to syndicate tapes of the jai alai games there. Since XETV has no tape equipment, the games will be brought to Los Angeles on film & transferred to tape on KCOP . . . Erle Stanley Gardner's *Cool and Lamb* properties have been revived by CBS as a prospective series. The project has been off-and-on-again for years at the network. The pilot was shot a few years ago, but was junked by CBS which didn't like it . . . On the basis of a presentation, Warner Bros. has sold an hour-long action series, still untitled, to American Chicle, Whitehall Pharmacal and Carter Products for next season. Show will be on ABC Wednesday 9-10 p.m. The *Donna Reed Show* is being moved to Thursdays, in accordance with demands from the star and her producer-husband, Tony Owen . . . David Heilweil is resigning as producer of Four Star's *Richard Diamond, Private Detective* series due to a movie commitment at Columbia. Four Star pres. Dick Powell takes over as producer until a replacement is signed. Kent cigarettes is buying another 5 first-runs and 13 reruns of the series . . . Tom Moore, ABC programming v.p., is here for business talks . . . Zsa Zsa Gabor tells us she's decided not to star in the projected *Zsa Zsa in Paris* series to be produced by Alex Gottlieb, but will star instead in a new still-untitled situation comedy series by producer-writer Charles Isaacs . . . Lever Bros. has cancelled *Lux Playhouse* (Revue). The show leaves CBS following this summer's reruns. . . . Some kind of production record was set in the past season by Vincent Fennelly, who has turned out 84 half-hour telefilms. He is producer of 35 *Trackdown* segments, 13 *David Niven Show* episodes, and is exec. producer of 36 *Wanted—Dead or Alive* telefilms . . . Moses wants to be press agent for the Ten Commandments. Producer Jess Oppenheimer, of NBC's *The Commandments* series has received a letter from press agent Charles Moses, pointing out that he is the logical man to handle the series. . . . Jerry Stagg is now casting *Our Town* series.

Trade Report . . . .

APRIL 6, 1959

TV's LACKLUSTER FIRST QUARTER: How's the TV business? It all depends on who you ask. A few manufacturers can honestly say "sensational." But industry-wide, you hear the chanting of the familiar refrain: Too much emphasis on portables; still needed is that "something new" to spark receiver sales. There are a couple of silver linings, though.

These are plus-&-minus factors which enter into first-quarter picture and outlook for rest of year:

Retail sales figures: First 2 months of 1959 saw 949,704 sets purchased by public—8% decline from last year's Jan.-Feb. sales of 1,030,213 and lowest Jan.-Feb. sales since 1952. Distributor sales were also down 8%. (Radio sales, on other hand, were up to 1,175,000 from 840,000 last year.) There's an optimistic side to the picture, though. Feb. TV retail sales—somewhat above 448,000—were just a stone's throw from Feb. 1958 sales of 448,727, contrasting with big Jan. dip (Vol. 15:12). Seasonally adjusted, industry statisticians figure this is a going annual rate of 5.7 million—not bad at all (barring, of course, complete 4th-quarter breakdown a la '58.)

Portables still hot: Although all TV categories were down from last year in first 2 months, portables & table models showed smallest decline—to 571,000 from 576,000 (less than 1%). Consoles dropped to 364,000 from 431,000 (15½%), combinations to 15,000 from 23,000 (nearly 40%). Average prices were substantially unchanged.

Inventories down: Bright ray of light is healthy condition of inventories—indicating production is now geared closely to sales and that sets in pipelines can easily be flushed through to make way for new models without distress selling. At end of Feb., inventories were down to respectable 1.6 million in all channels, as compared with 1.9 million at end of first-quarter 1958.

Brand-switching: A few companies are enjoying bumper TV years, and apparently increasing their share-of-market. Among those claiming sizeable first-quarter sales boosts over last year are Zenith (up 25% in TV-radio), Motorola (TV up 35%) and Sylvania (TV up 43%).

'Something new': Set makers still look to new square-cornered tube with built-in safety glass for substantial sales boost next fall & winter—principal question being how many of the new 23-in. tubes & sets can be produced how quickly. Though they'll be shown in many 1960 lines, last-minute snags in circuit redesign may well delay quantity output by some set makers this year. Trend in these new sets will be toward a still slimmer look—due to elimination of separate safety glass, picture tubes may protrude from front of cabinet as well as back.

Regional sales pattern: NARDA chairman Mort Farr sizes up market this way after recent talks with dealers from all over country: "East, slow & sloppy. Midwest, better. Far West, very good business."

Economic indicators: Gross national product—total output of goods & services—rose in first quarter to record annual rate of $464 billion, and prognostications for rest of year by most experts were favorable. Consumer installment credit is increasing & home building is actually enjoying a boom—both good portents for TV-hi-fi-appliance business.

EIA's promote-TV campaign: Advertising & public relations topkicks of most major set makers in EIA's "public relations task force" met in Washington last week to plan "be a 2-set family" campaign (Vol. 14:49). Each set manufacturer will devise own advertising approach built around same theme.

There is some open opposition to big 2nd-set push. As one industry leader put it: "Second sets are portables. How about a campaign to make a TV set a piece of furniture again?" He was referring to trend —discussed at the meeting—to relegate TV set to recreation room, kids' room, etc. Though there was general agreement that prospects for 2nd-half upturn were good, everybody also agreed that what is still needed most is that "something new" to obsolete today's TV. And there are still those who say the "something new" won't be the square-cornered picture but color TV.

Color enthusiast Mort Farr told us: "I'm still crazy enough to predict that in a year or a year-and-a-half there'll be a shortage of color sets. When it catches fire, tubes will be the bottleneck. RCA can only turn out 240,000 tubes a year—and it will take the others 2 years & $20 million to get in the business."

TV-RADIO PRODUCTION: TV set production was 94,378 in week ended March 27 vs. 94,648 in preceding week & 78,057 in same 1958 week, EIA reports. Year's 12th week brought production to 1,277,991 vs. 1,137,916 last year. Radio production was 259,070 (97,621 auto) vs. 269,051 (100,804 auto) in preceding week & 195,005 (61,701 auto) last year. In 12 weeks: 3,331,517 (1,259,938 auto) vs. 2,431,229 (806,052 auto).

OLD GLASS, NEW TUBES: Rebuilt picture tubes accounted for 75-90% of the replacement market last year, RCA electron tube div. mgr. D. Y. Smith is quoted in April 3 (Los Angeles) *Wall Street Journal* roundup of the tube remanufacturing industry. Annual sales of rebuilt picture tubes now top $200 million, says the article. RCA's entry into the field with its widely-advertised Monogram line of rebuilt tubes may have spurred sales of all rebuilts.

Laurence Perrish, a former brewer who now heads Pioneer Electronics, Santa Monica, Cal., is credited with originating the tube-rebuilding business. His company sold $1.5 million worth last year, expects to hit $2 million in 1959. American Standard TV Tube, Jamaica, N.Y., reports a 25% increase from 1957 to 1958 and expects a similar rise in 1959. Cardinal Mfg. Co., Kansas City, Kan., is now rebuilding 8000 tubes a month, enjoyed 22% increase in 1958 and anticipates 10-12% lift this year. Calvideo, Los Angeles, also now at the 8000-a-month rate, is up from an average 6500 last year.

Not mentioned in the *Wall Street Journal* article: The forthcoming "twin panel" picture tubes—which bid to become the industry standard in a year or 2—are said to be extremely difficult, if not impossible, to rebuild. One reason is that the heat required for reprocessing the tube is sufficient to remove the bonded safety glass, a fact which is causing some merriment among tube & glass makers. But rebuilders are confident they'll find a way.

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Philco may be first to show a battery-operated portable TV this spring or summer, recurrent reports in the industry indicate. It's said that the set will be unusual and extremely compact with small, low-power-consuming picture tube (some reports say it will be as small as 2-in.) using a magnifying system to bring picture up to viewable size. At week's end, no Philco officials could be reached for comment.

Strike at Westinghouse's Metuchen, N.J. plant continues, halting output of TVs, radios, hi fi. Strike by IUE Local 491 began midnight March 25. At issue are work quotas, sub-contracting by Westinghouse, and job assignments. About 700 hourly-paid employees are being supported by 700 other Local 491 technical & salaried people. Product inventories are satisfactory to meet retailer needs, company states.

Four plants of Erie Resistor Corp. in Erie, Pa., were idled last week by strike of 450 IUE members. The union stopped work April 1 in a dispute over wages, vacation pay, group insurance.

Philco International pres. Harvey Williams is in Milan with other Philco officials, reportedly looking at factory buildings. According to Italian sources, Philco plans to assemble TV sets & appliances there from shipped-in parts, and eventually manufacture.

Japanese electronic products will be shown in N.Y. from June 16 to 20, at an exhibition in the Statler-Hilton. Electronic Industries Assn. of Japan said about 40 manufacturers are expected to display.

Raytheon & Pye Penalized: Violations of U.S. export controls on Iron Curtain shipments were charged last week to Raytheon & to Pye of England by the Commerce Dept's Bureau of Foreign Commerce, which placed the former on probation for one year & denied export privileges to the latter for 6 months. BFC's order also: (1) Suspended licensing director Thomas J. Kelly of Raytheon's international div. for 7 months & placed him on probation for 5 more months. (2) Denied participation in exports to Raytheon export mgr. Eliseo E. Blanco for 6 months & placed him on probation for an additional 6 months. Penalties were imposed after BFC found that Pye Telecommunications obtained more than $250,000 worth of TV microwave equipment from Raytheon under licenses listing England as the ultimate destination, then turned the shipment over to Pye Ltd. for re-export to "unauthorized destinations." All parties consented to the order, BFC said, adding: "Neither Raytheon nor its 2 employes was found to have had actual knowledge of Pye Ltd's transshipments." No suspension of Raytheon was ordered "because of its record of cooperation with U.S. Govt. depts. in national defense, mutual security and related export programs and its correction of intra-company procedures to prevent any recurrence of violations."

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"Multi-million-dollar research contract" has been awarded to RCA by the Navy for study & development of new communications systems related to the Polaris missile programs. Expected to require 70 researchers at the outset and increase to more than 100 within a year, the long-term RCA Labs project will be directed by Ralph S. Holmes, ex-dir. of research contracts. Technical director will be David D. Holmes, ex-dir., radio research labs.

Japanese parts will be used in a new Motorola pocket 6-transistor radio made to retail at $29.95. The first sample-quantity batch of the sets will be imported from Japan, but regular production runs will be made in the U.S. with some parts—including one vital tuner component not available from American manufacturers—imported from Japan.

Sonora Electronics Inc., Chicago TV-radio manufacturer, last week filed a Chapter XI bankruptcy petition in federal court. Assets & liabilities each totaled $1,081,400. Sonora was purchased a year ago by Earl Muntz & Frank Atlas from Thomas F. Kelly & Assoc., which, in turn, bought it in April 1957 at a public auction conducted by the Internal Revenue Service.

Symphonic Electronic Corp., manufacturer of phonos, radios & hi fi, has been sold by F. L. Jacobs Co. to 3 of its former owners after a stormy court battle. The buyers are pres. Max J. Zimmer, Howard A. Jacobs & Bernard H. Lippin. Zimmer announced that Symphonic has "officially severed its affiliation" with the Jacobs firm.

Exclusive Sylvania models of radios & phonos will be manufactured for fall distribution by the Golden Shield Corp. to Credit Retail Jewelers.

Pilot Radio Ltd.—European manufacturer of Pilot radios—is slated to be sold April 1 for cash to Ultra Electric Ltd., of England. The new owners are also acquiring Pilot trademarks for 17 European countries.

Trade Personals: Mark W. Cresap Jr. will be pres. & chief exec. officer under Westinghouse Electric Corp.'s newly revised by-laws. **Gwilym A. Price**, chairman, will remain active in an advisory & consulting capacity, assuming at the same time the position of pres. of bd. of trustees, U of Pittsburgh . . . **George M. Gardner**, co-founder & chairman of Wells-Gardner & Co., plans to retire and reside in Honolulu . . . **Edward C. Caliguri**, ex-Zenith, appointed sales promotion mgr., TV & stereo-hi-fi products, Motorola . . . **E. K. Wimpy** promoted to mktg. research mgr., CBS-Hytron . . . **Dr. George H. Brown**, RCA engineering v.p., leaves for European vacation April 17, returns May 17. He'll join Mrs. Brown who left April 4 . . . **Hugh A. Young**, ex-Packard-Bell Electronics Corp., appointed West Coast technical mktg. consultant, Hallicrafters Co., Chicago . . . **Daniel R. Ozsvath** appointed merchandising mgr., market planning-receiving tubes, RCA electron tube div. . . . **Jacob L. Miller** named Washington, D.C. district sales mgr., Sylvania Home Electronics, succeeding **John Cantwell**, resigned. **Ralph S. Blakesley** appointed Milwaukee district sales mgr., **William C. Cohan**, Toledo—both new districts . . . **Donald Plunkett**, ex-Capitol Records, elected pres., Fairchild Recording Equipment Co., succeeding **Sherman Fairchild** . . . **Norman Weinstroer**, ex-Coral & Brunswick Records, appointed gen. mgr. of new disc div. of Rank Film Distributors of America. He will also be a Rank v.p. . . . **Gene Edwards** promoted to sales engineering mgr., Gates Radio Co., Harris-Intertype Corp. subsidiary. **Edward J. Wilder** named western regional sales mgr., **Robert W. Kuhl**, govt. contracts mgr. . . . **Kenneth C. Prince**, ex-gen. mgr. & counsel, Electronic Industry Show Corp., named secy.-treas., Harmon-Kardon Inc. . . . **Harry Finkel**, former Chicago correspondent for Fairchild Publications, named publicity dir., Merchandise Mart . . . **Max Schneiderman**, ex-Du Mont Labs, named engineering mgr., oscilloscope div., Electronic Tube Corp., Philadelphia. **Richard T. Rude** named engineering mgr., special products div. . . . **Harry B. Lyford**, ex-*Monroe* (Wis.) *Evening Times* & USIA, joins Commerce Dept.'s office of international trade fairs, as public information chief . . . **John Haerle** promoted to Collins Radio's Texas regional sales mgr. **Ed Gagnon** named broadcast sales mgr., headquartering in Cedar Rapids . . . **John D. Goodell** named product development group mgr., CBS Labs, Stamford, Conn.

RCA will bring color TV to Russia this summer, at the American National Exhibition in Moscow for 6 weeks beginning July 4. Color TV will be presented from a glass-walled studio, and piped to 16 locations around Sokolniki Park. RCA will also offer its closed-circuit color setup to other American firms not present at the fair, to tell their stories on film. Visitors will be able to see themselves on color TV in a special display. Regular color TV broadcasting has been announced by the USSR to begin later this year. U.S. stereo will also be showcased at the exhibition, with the Institute of High Fidelity Manufacturers sponsoring a display & demonstration.

Obituary

J. James Ebers, 37, asst. dir. of development, Bell Telephone Allentown lab, died March 30 in Allentown. Mr. Ebers had worked mainly on the development of the transistor in his 8 years with Bell. Surviving are his wife, 4 children and his parents.

Charles Ainsworth Rice, 62, pres., United Electronics Co. of Newark, died March 29 of a heart attack. He is survived by his wife, son, daughter and 2 grandchildren.

Space

TV SPACE RELAYS: Excitement about the use of space satellites for long-distance TV relaying is growing, both here & abroad—as evidenced by a published Soviet plan for a TV sputnik within 7 years, and a fantastic unconfirmed report of a transatlantic U.S. TV satellite to be put in orbit in June.

Contrasted to the TV-pie-in-the-sky stories but equally breathtaking, was the Navy's announcement that it hopes to use the moon as a passive relay in a permanent Washington-to-Hawaii radio link capable of handling all Navy messages within a year.

Does moon-bounce transmission offer TV possibilities? "That depends on how good your crystal ball is," said a Naval Research Lab spokesman. He stressed, however, that the projected initial circuit will be for message communications only and TV doesn't figure in any present plans. He added that "eventual possibilities with natural & artificial satellites are endless."

Russia's Ministry of Communications has received an official proposal that development & construction of an active TV-relay satellite be made part of the current 7-year plan, which began this year. There was no indication whether the proposal has been accepted.

As described by the Soviet magazine *Radiotekhnika*, the project would involve placing a satellite in orbit about 22,400 miles from the earth—revolving so it "hovers" continually over the same portion of the earth. The proposal by Prof. S. I. Katayev provides that the TV satellite hover over the vicinity of Indonesia, relaying telecasts to every point in Russia, and also covering Europe, Asia, Africa and Australia. Katayev said the project is "quite feasible." Problems to be solved, he added, include selection of the best frequencies for the project, development of transmitting & receiving equipment which could operate several years without servicing, as well as long-life power sources & automatic scanning antennas.

U.S. space authorities have told congressional committees that a world communications network based on hovering and solar-orbiting satellites could be launched within 5 years—but TV wasn't in their immediate plans.

The U.S. Navy meanwhile announced that it plans to establish its Washington-Pearl Harbor communications link via the moon within a year. Among the advantages of the moon-bounce transmission: (1) High message capacity (though it couldn't handle TV because of power requirements for wideband transmission). (2) Invulnerability to jamming. (3) High reliability—it's not susceptible to ionospheric disturbances. (4) Conservation of frequency spectrum—the Navy has tested moon-bounce transmission at frequencies from 30 to the little-used 3000-mc band and hasn't yet found an upper limit.

In using the moon as a passive reflector the Navy will transmit & receive signals with 84-ft. parabolic antennas. The link will be usable only when the moon is in sight of both Hawaii & Washington—4 to 14 hours daily, depending on the moon's orbit.

Spokesmen for the National Aeronautics & Space Adm. and Defense Dept. snorted in disbelief, and said they hadn't been advised, when asked about a copyrighted April 3 London dispatch in the *Boston Globe* reporting "hush-hush negotiations" between U.S. & Britain to arrange transatlantic transmission by satellite in June. The occasion would be Queen Elizabeth's visit to the western hemisphere. Story said U.S. would put the satellite in orbit.

Finance

Standard Coil reports increased sales & gross income for 1958, but net income was down from 1957 because of an operating loss carry-forward approximating $500,000 (34¢ a share) in tax credit in 1957. Before taxes, the 1958 income totaled $1,343,887 vs. $823,062. Standard Coil's annual report states that the tuner div. increased its sales by 10% over 1957 despite a 22% drop in TV set production in 1958. Acceptance of the new "Golden Grid" Neutrode tuner should improve sales this year, with unit tuner sales for the first quarter running about 50% ahead of 1958's same period. Other highlights: Standard's research lab has developed a transistorized tuner for battery TV sets and is now in a position to start limited production, depending on set makers' plans. A color TV tuner has also been developed, and the company is also doing basic pay-TV research "under contract for a leading company in the field." Eight radio manufacturers have ordered Standard's FM tuner. The financial summary for 12 months ended Dec. 31:

	1958	1957
Sales	$69,489,636	$61,330,530
Net income	558,887	802,862
Earned per share	36¢	55¢
Shares outstanding	1,568,182	1,470,000

Philips Electronics reports a 212% increase in earnings on an 84% sales gain for 1958. The annual report attributed the improvement to the company's new management and emphasis on electronics during the last half. The company formerly was A. Hollander & Son, specializing in fur processing. For the year ended Dec. 31:

	1958	1957
Net sales	$14,832,677	$8,072,512
Net income	1,175,893	376,819
Earned per share	1.31	42¢
Shares outstanding	899,272	896,872

Buckeye deal to buy Transfilm is now firm. The farm equipment company's new Buckeye Entertainment Div., which has lately diversified into acquisitions of Pyramid Productions & Flamingo Telefilm Sales, acquired Transfilm (1958 billings of $2 million, mostly film commercials) Mar. 30 for 52,632 shares of Buckeye common, plus 36,250 shares of Buckeye's 5% preferred Series A. Corporate operation of Transfilm remains unchanged.

Ling Electronics Inc., Richardson, Tex., has acquired more than 80% of the stock of Altec Cos. Inc., Anaheim, Cal., sound equipment producer (Vol. 15:8) on a share-for-share exchange basis. Altec and its subsidiary Altec Lansing Corp., and its div., Altec Service Co., have an annual sales volume of about $7 million; Ling's sales for the fiscal year ended July 1958 totaled $6.9 million. The company will become Ling-Altec Electronics Inc.

General Telephone & Electronics, the new entity which resulted from the merger of General Telephone and Sylvania, plans a public offering of about 800,000 additional common shares this spring. Stockholders at the April 25 meeting will be asked to increase the authorized common shares from 25 to 30 million, preferred stock from 1,420,-792 to 2.5 million. The funds from the sale of common stock—about $52 million—will be used to finance expansion.

Erie Resistor Corp. reports 1958 net income of $510,441 (57¢ a share), down from $542,811 (68¢) in 1957.

Canadian Admiral Corp. reports net profit of $589,457 ($2.04) in 1958.

Muter Co. reports 1958 net earnings of $356,105 (44¢ a share), vs. $377,819 (47¢) in 1957.

Muntz TV profits increased by 54% for 6 months ended Feb. 28, compared with the similar 1958 period. Sales rose by 47%, a rise attributed by Muntz pres. Wallace A. Keil to new sales outlets. In 4 months, he reported, 430 dealers have been added, bringing dealerships to over 20,000. He looked for good business & a profit in the remaining 6 months of the fiscal year, normally a slow period. Muntz is increasing private-label production, and expects a third of its output to be in this category. For 6 months ended Feb. 28:

	1959	1958
Sales	$3,652,746	$2,491,136
Net earnings	252,572	164,236
Earned per share	23¢	15¢

Motorola expects its first-quarter earnings to total $1 a share or more, compared with first-quarter-1958 profits of 35¢ a share. The earnings increase is attributed to improved TV set sales (which Motorola says are up more than 35%), stereo phono sales, pickup in mobile communications radio and better auto sales (Motorola makes radios for Ford, Chrysler and American Motors).

Hoffman Electronics reports increased profit for 1958 on somewhat lower sales. As previously reported by pres. H. Leslie Hoffman (Vol. 15:11), military orders accounted for 49.5% of total sales, industrial 16%, home entertainment 16.2%, replacement parts 10.72%, semiconductors 2.84%. The report for the year ended Dec. 31:

	1958	1957
Sales	$39,544,064	$40,968,617
Net income	1,712,509	1,655,372
Earned per share	2.31	2.23
Shares outstanding	741,328	735,610

Wells-Gardner's 1958 profits were somewhat higher than the preliminary estimate released in March (Vol. 15:7), and both profits & sales were well ahead of 1957. The private-brand TV-radio manufacturer stated in its annual report that the sales increase was in civilian lines, govt. sales being about the same in 1957 & 1958 for the year ended Dec. 31:

	1958	1957
Sales	$19,947,123	$15,687,999
Net income	608,515	76,573
Earned per share	1.47	18¢

Twentieth Century-Fox improved its earnings for 1958 despite a slightly lower sales & gross income, and raised the yield per share to $3.30, compared with $2.49 for 1957. For the year ended Dec. 27:

	1958	1957
Sales & gross income	$124,998,120	$127,662,227
Net income	7,582,357	6,511,218
Earned per share	3.30	2.49
Shares outstanding	2,293,186	2,617,486
For 13 weeks ended Dec. 27:		
Net income	$ 991,336	$ 887,360
Earned per share	.43	.34

Republic Pictures Corp. reports a sharp decline in net income for the 13 weeks ended January 24:

	1959	1958
Net income	$202,850	$911,725
Earned per common share	5¢	41¢
Shares outstanding	2,004,190	2,004,190

National Theatres' 5½% sinking fund subordinated debentures ($18,573,896 of the $20,000,000 authorized) have been admitted for trading on the American Stock Exchange.

National Union Electric reports higher sales & lower profit for 1958. For the year ended Dec. 31:

	1958	1957
Net sales	$11,578,909	$9,840,489
Net income	425,007	570,856
Earned per share	24¢	33¢

GOOD YEAR FOR AB-PT: ABC-TV's sharp financial improvement was responsible for pushing parent American Broadcasting-Paramount Theatres' total operating income to an all-time high for 1958. Net profit was substantially ahead of 1957, totaling $6,116,000, $1.40 per share: $1.21 per share resulting from operational profit, 19¢ from capital gains.

ABC's operating income totaled $136,967,316 (vs. $109,393,113 in 1957) or about 56% of AB-PT's total operating income for 1958. Theatres contributed $94,279,485 (vs. $95,280,214 in 1957), merchandise sales & other income $13,574,440 (vs. $11,203,669).

In the annual report, pres. Leonard H. Goldenson reported on various facets of AB-TV's 1958 operations.

ABC-TV: "The network reported the largest increase in audience & the largest percentage increase in gross time billings of all 3 networks." ABC-TV's share of network nighttime home viewing (for Dec.) rose from 10% in 1953 to 26% in 1958. Its primary affiliates increased to 92 from 72 and direct live coverage of U.S. TV homes to 86% from 82%. New facilities are planned in N.Y. & on West Coast.

Owned stations: "The TV stations continued to report profitable improvement as they derived particular benefit from the strengthened network programming. The radio stations can also be expected to show improved results as a consequence of the changes made during the year both in local management & programming and in the radio network operations."

Film syndication: ABC Films continued to expand, and "plans are presently under way to broaden its participation in the rapidly-growing international-TV field."

Radio network: "We are keeping the ABC radio network loss to a minimum by streamlining the operation and yet providing the public, our affiliates and advertisers with a well-balanced programming structure."

Theaters: "Theater gross income was off slightly from 1957. Profits held about equal to the previous year's level, primarily due to operating economies & an extra week's business in the 1958 fiscal year." Having disposed of 26 theaters in 1958, AB-PT now operates a total of 511.

Records: Three-year-old Am-Par Record Corp. "made notable progress in 1958 with marked improvement in sales & earnings."

Electronics: The 3 companies in which AB-PT holds interest (28% in Microwave Associates, 36% in Technical Operations Inc., 33% in Dynametrics Corp.) have declared no dividends, reinvesting their earnings in the business, but "the market value of our stock interest in the 2 companies whose stock is publicly traded is substantially in excess of our investment of approximately $800,000 in the 3 companies."

Disneyland Park (33% owned): Reported record attendance & revenue in its 4th year of operation.

AB-PT's net worth is listed as $85,146,000, up from $83,718,000 the preceding year. The consolidated report for 12 months (ended Jan. 3):

	1958	1957
Income	$244,821,241	$215,877,026
Net profit	6,116,060	4,894,524
Earned per share	1.40	1.10
Shares outstanding	4,149,363	4,149,363

Common Stock Dividends

Corporation	*Amt.*	*Payable*	*Stk. of record*
Daystrom Inc.	$0.30	May 15	Apr. 27
Dominion Electrohome	.30	May 22	May 7
National Theatres	.12½	May 30	Apr. 16
Outlet Co.	1.25	May 1	Apr. 21

Wometco's TV Earnings: The proposed public offering of 325,000 shares of stock in new Wometco Enterprises Inc.—the Wolfson-Meyer TV-radio-theater operation (Vol. 15:11) was filed with SEC last week, and a March 27 preliminary statement showed these facts about this latest publicly-owned TV-radio entity:

Its properties include WTVJ Miami, WLOS-TV, WLOS-FM & WLOS Asheville, N.C., 22 motion picture theaters (20 in greater Miami, one each in Palm Beach & Tampa) and a confectionery merchandising business covering not only theaters but vending machines elsewhere.

The pro forma financial report shows the combined enterprises' 1958 sales were the highest since 1948 (no data given before 1949), although net income ($588,737) was lower than that of 1956 & 1957 (see report below). A breakdown of the $9,366,098 gross income in 1959 reveals that 47.8% ($4,476,297) came from "TV & related operations," 37% from motion picture theaters, 6.2% from confection sales, 4.4% from vending machines, 4.6% from other sources.

Importance of TV in Wometco's earnings picture is shown graphically in the breakdown of net operating income before taxes ($1,247,913). Some 83.7% of this ($1,-044,190) was contributed by TV operations, 3.9% by theaters, 8.7% by confection sales, 2% by vending machines, 1.7% by other sources.

The 1958 gross broadcasting revenues of WTVJ Miami totaled $4,328,940, of which network programming provided 13%, national spot 55%, local advertising 32%. Gross receipts of WLOS-TV Asheville (ABC) totaled $547,063 and "operations to date have not been profitable."

In its application with the SEC, Wometco showed ownership of numerous municipal & state bonds and other securities, including 213 shares of Metropolitan Bcstg. Co., 700 AB-PT, 300 CBS, 400 Du Mont, 10 Outlet Co., 200 Westinghouse. FCC last week approved the transfer of control of the stations to the new Wometco Enterprises.

The pro forma earnings summary of Wometco Enterprises for 1958 & 1957 (earnings per share are based on the proposed 363,730 Class A & 540,000 Class B shares):

	1958	1957
Total gross income	$9,366,098	$9,273,084
Net income	588,737	833,344
Earned per share	65¢	92¢

The Outlet Co., Providence department store which owns WJAR-TV & WJAR, and whose sale currently is the subject of litigation (Vol. 14:49, 15:10, 12), showed improved sales & earnings for the year ended Jan. 31, 1959. Although no breakdown was available, it's certain that the lion's share of the profits was contributed by the broadcasting operations. For 12 months to Jon. 31:

	1959	1958
Sales	$15,771,029	$15,504,986
Net income	894,051	764,757
Earned per share	8.99	7.69

AFTRA is proposing an income-tax plan to the Treasury Dept. that would level the peaks & valleys of tax liability for performers (and all others) who have widely-fluctuating incomes. The plan, drawn up by announcer Dwight Wiest, would permit any taxpayer to divert 20% of gross income into non-interest-bearing govt. "income tax bonds," and deduct that amount in figuring his taxes. Later, in a leaner year, when the taxpayer cashed his bonds, he would be required to declare them as income.

Electronic Research Assoc., for 6 months ended Nov. 30, reports net income of $96,936 (97¢ a share) vs. $66,532 (66¢) in same 1957 period.

WEEKLY Television Digest

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The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

MORE TALK OF CH. 2-13 'INTERIM' DROP-INS: There's growing sentiment at FCC to come up with an "interim" TV allocations solution consisting of mileage cuts which would permit dropping in of Ch. 2-13 stations in limited number of important markets. This is no fait accompli, of course, but majority of Commissioners seem convinced that they're duty-bound to provide more station competition and that no technique except the foregoing holds any immediate promise.

Sympathy for the mileage-cut concept has been voiced at various times by Comrs. Doerfer, Craven & Cross. We can recall neither pro nor con expressions about it from Comrs. Hyde, Bartley, Lee or Ford—but, on the basis of many discussions with them in recent months, we think it a fair possibility that at least one may join mileage-cut forces, making a majority.

The talk is all about "limited" drop-ins for "critical" markets—but all Commissioners say they're aware of the tremendous difficulty of staving off pressures for further reductions in standards. But some members are willing to try it.

Dozen or so markets lead the speculation as candidates for drop-ins, if they ever come. ABC provided a list last year when it petitioned the FCC to add specific vhf channels to following (Vol. 14:28): Louisville, Syracuse, Rochester, Providence, Jacksonville, Knoxville, Birmingham, Grand Rapids-Kalamazoo, Shreveport, Greensboro-Winston-Salem-High Point. FCC has since added Ch. 8 to the list. ABC had also asked that Ch. 3 be moved to point half-way between Mobile & Pensacola, and Ch. 5 from Enid to Oklahoma City.

ABC said there were about 35 "problem markets" among the first 125, but it offered no specific allocations to take care of the balance.

Meanwhile, FCC remains unimpressed with the suggestion of Bureau of Standards' Kenneth Norton that wholesale reduction of vhf mileage spacings to 100 miles or less would be more efficient (Vol. 15:14). Commission objections: If cities were mathematically spaced, Norton would be right—but they aren't.

One interesting aspect of Commission's allocations deliberations is that its staff members, particularly engineers, are almost unanimous in the belief that a shift of all stations to uhf is the answer. Obviously, their arguments don't impress their bosses.

FCC's PLANS ON AFFILATIONS & OPTION-TIME: Digging into recommendations for changes in network regulations among those proposed by its staff, FCC has made some tentative decisions, is expected to make them final & public soon. It's understood that Commission will reject staff recommendations which would have required networks to:

(1) File with FCC their affiliation criteria.

(2) File reports on affiliation changes & reasons for them.

(3) File reports on disposition of station requests for affiliation.

(4) Ignore, in considering affiliations, fact that station is operated by a multiple owner.

(5) Offer programs to non-affiliates in cities where affiliates don't accept them & to non-affiliates in other cities when requested by advertisers.

(6) File rate-making procedures & formulas.

(7) Make public all affiliation contracts.

On the other hand, FCC has voted tentatively to:

(1) Reduce option-hour segments from 3 to 2½ hours.

(2) Define "straddle programs" (those falling partly in option time, partly out) as coming entirely within option time.

(3) Require networks to extend from 8 to 13 weeks the notice to affiliates of their intention to exercise options.

FCC's previous actions on recommendations of its staff were to announce its opinion that option-time is "reasonably necessary" to network operations (Vol. 15:10), to propose to order networks out of the spot rep business (Vol. 15:5), to start an investigation into alleged network program "tie-ins" (Vol. 15:9). One staff suggestion—that "must buy" be outlawed—is now moot, with no network using it after CBS & NBC dropped practice (Vol. 14:49, 15:2).

In the tie-in investigation, FCC chief examiner James Cunningham, who will preside, has set May 4 for start. He'll indicate, in week or so, who's to appear—presumably networks first. Attorneys Ashbrook P. Bryant & James F. Tierney will represent Commission's broadcast bureau.

FCC'S PALLIATIVE FOR STATION-CATV FRICTION: FCC has come up with one idea, after long debate, to meet the complaints of small-town TV stations which assert that community antenna systems are driving them out of business (Vol. 14:11 et seq). Scheduled to be announced next week is Commissions' recommendation to Congress that it pass law requiring CATV systems to: (1) Get permission of stations before they pick up & feed signals to subscribers. (2) Carry the signals of stations located in the communities they serve.

FCC wants to go no further than that, doesn't want to request permission to regulate the whole CATV business, which would be unwelcome administrative chore. If Congress buys the Commission suggestions, small-town operators may be satisfied—but CATV operators won't be. Latter have been planning, if legislation such as foregoing is proposed, to plump for laws throwing the problems into FCC's lap. That is, they'd prefer that FCC, not stations, determine whether or not a CATV system should be allowed to pick up & distribute stations' signals.

ANTI-PAY-TV WAR RENEWED BY HARRIS: Promoters of wired pay-TV systems were put on firm notice last week by House Commerce Committee Chairman Harris (D-Ark.) that he hasn't forgotten —and that he doesn't like them any better than he likes any prospect of broadcast pay-TV operations.

Wired systems weren't mentioned in FCC's 3rd pay-TV report prescribing rigid tests for broadcast systems (Vol. 15:13), which otherwise was in line with pending Harris bill aimed at pay-TV in all shapes & forms. Omission conformed with FCC's position that it lacks jurisdiction over intrastate wired TV, and operators may have hoped they were in the clear—free of FCC controls or Congressional obstacles. Harris intends otherwise.

There'll be no retreat on wired pay-TV front, Harris told House. He introduced new bill supplementing his omnibus anti-pay-TV resolution. It would forbid operation of any wired system ("interstate or intrastate") which hasn't been subjected by FCC to "limited tests"—conditions to be laid down by Commission in "public interest." And even if tests are completed successfully, wired systems couldn't go into regular operation until "adequate governmental authority" to regulate them has been spelled out for FCC—by "a future Congress."

Harris may not get his new bill enacted at this session, but he has set out traplines for delaying actions against wired systems, at least. They could run on several years, keeping promoters in state of uncertainty—and inaction. Harris again made it clear, incidentally, that his bill doesn't have anything to do with community antenna systems.

MACK-WHITESIDE TRIAL STARTS—BUT SLOWLY: It looks like a long spring in court for ex-FCC Comr. Richard A. Mack. His long-awaited trial with his long-time lawyer friend & benefactor Thurman A. Whiteside on charges that they conspired to rig FCC's Miami Ch. 10 award to National Airlines' WPST-TV (Vol. 15:13) finally is under way. But it's already beginning to set records in D. C. Criminal Court for time-consuming legal maneuvers & counter-maneuvers.

Jury selection alone took 3 full days last week in Judge Burnita S. Matthews' U. S. District Court in Washington. And even that process—usually completed within hours—was delayed while opposing counsel argued issues of illness, and Mack was denied another plea for postponement. Whiteside tried to put off trial on ground that Arthur J. Hilland, one of his battery of attorneys, needed 2 more weeks to recuperate from virus pneumonia.

"Publicity, propaganda & knowledge" of celebrated case made it tough to find unprejudiced jurors, Mack's chief counsel Nicholas Chase explained, as the 73-member panel was subjected to extraordinary screening. Had prospective jurors heard about last year's sensational House expose of Ch. 10 case? (More than half admitted they had.) Would they give more credence to members of Congress than others who might testify? Did any know ex-White House aide Sherman Adams? etc. Jury of 6 men & 6 women—half of them govt. employes—at last was seated, and 2 alternates stood by.

Deeply tanned, betraying nervousness, Mack took little part in these preliminaries. But fellow-defendant Whiteside scribbled copious notes on big pad of paper, huddled constantly with his lawyers. As actual testimony was scheduled to start this week, prospect for protracted proceedings to come was indicated not only by defense stratagems but by govt. prosecutor J. Frank Cunningham's roster of probable witnesses—73 of them. No familiar Ch. 10 case names were missing. They included National Airlines' George T. Baker, ex-FCC Chairman Paul R. Porter, Miami's A. Frank Katzentine, Judge Robert H. Anderson, Perrine Palmer Jr., etc., etc. Cast of characters was ready for full rerun.

TV COMMERCIALS ARE GETTING BETTER: Cynics may scoff, but we have it on word of one of TV's most constant viewers that quality of commercials is improving. He is Charles A. Sweeny, chief of Federal Trade Commission's TV-radio monitoring unit. Sweeny spends good deal of his working time in front of set, ready to record offensive advertising as FTC evidence (Vol. 14:49)—and he ought to know.

"Chronic TV critics in the street may not see it," Sweeny told us, "but I do. It appears to me that there is a steady trend toward improvements. Commercials are better than they used to be. There are fewer fraudulent or misleading matters that we think we can sustain in cases against advertisers. Maybe there's no improvement in the moral tone of some commercials, but from a legal standpoint there has been."

Awareness that FTC's policemen are watching them no doubt deters some sponsors from making wilder claims, Sweeny said. He thought that it's possible too, that Washington stations whose programs are seen regularly might be exercising extra restraints—although he has detected no signs of that.

But self-policing by TV also is responsible for better commercials, Sweeny added. For instance, one of FTC's biggest beefs—use of "man in white coat" to imply medical endorsement of drug preparations—isn't seen much now. "The NAB stepped in there and it isn't troublesome any more," Sweeny told us.

Campaign against objectionable commercials is by no means over, however. Latest FTC complaint in TV field (against Continental Wax) was issued 2 months ago, and few more than dozen TV cases have been started since monitoring unit was set up in 1956. But Sweeny & his special 3-man headquarters staff will stay on job.

In fact, FTC's monitoring work may be expanded. House Appropriations subcommittee chairman Thomas (D-Tex.) said in FTC hearing testimony released last week that maybe monitors "ought to use another system." He didn't recommend more money for Sweeny's unit to do it this year, but Thomas suggested that monitors might preview commercials—presumably at agency level—so that bad ones could be stopped before they get on air.

Congress

EQUAL TIME AS 'GAG': A bipartisan push for amendment of Sec. 315 of the Federal Communications Act to eliminate newscasts from equal political time requirements developed in the Senate last week, catching up with earlier moves in the House (Vol. 15:14).

Sens. Allott (R-Colo.) & Thurmond (D-S.C.) introduced similar measures (S-1604 & S-1585) as companions to a House bill (HR-5839) by Rep. Cunningham (R-Neb.) which would nullify the FCC's Lar Daly ruling that an appearance by a candidate in TV newsclips obligates stations to offer equal time to his opponents.

A leader in the congressional insurrection against the FCC's booster edict at the outset of this session (Vol. 15:10), Allott took the Senate floor and went on the air to denounce the Commission's equal time interpretation as a "gag" on broadcasters. And Thurmond, a member of the Senate Commerce Committee, warned that the ruling "may become a substantial detriment to public interest."

"This interpretation has far-reaching effects," Allott said on the floor. "First, it abridges radically both the usefulness of radio & TV to our society and their freedom as news media. Second, it will necessitate, on the part of the broadcasting industry, a negative approach to the role broadcast journalism plays in our present way of life."

Allott told the Senate that it's risking TV-radio blackouts of coming political campaigns unless Sec. 315 is changed to permit broadcasters to use their own "honest judgment" about candidate's newsworthiness. If the Lar Daly ruling were applied to all news media, it "would make democracy unworkable as we know it," he asserted.

Then Allott went on CBS radio's *Capitol Cloakroom* as welcome guest of the network, which has been the most vocal industry critic of the ruling. "I really can't understand how a radio or TV newscaster can operate unless he gets some relief," he said, Adding: "I cannot see how you can take the ruling of the FCC at the present time without putting a gag upon the newscasters of the country."

Meanwhile Chairman Magnuson (D-Wash.) of the Senate Commerce Committee and Chairman Harris (D-Ark.) of the House Commerce Committee, who may introduce a Sec. 315 amendment himself, marked time on the equal-time issue. They were awaiting legislative recommendations from the FCC later this month before scheduling hearings on the bills.

In Chicago, where America First Candidate Lar Daly started the equal-time rumpus which brought on the FCC's newscast ruling, the mayoralty election ended with overwhelming reelection of Democratic mayor Richard Daley—with Daly nowhere in sight when the votes were counted.

Daly had proclaimed himself a write-in candidate—entitled to more equal time—after his primary bid to be either the Democratic or Republican nominee was ignored by the voters. He demanded that Chicago TV stations put him on the air again, but they refused on ground he was not a legally qualified candidate this time. In answer to another protest by Daly to the FCC, the Commission asked him the day before the election—too late for Daly's purpose—to prove his write-in qualifications. But Daly will be heard from again. He always is.

OVERSIGHTERS GET READY: The 1959 investigative season of the House Commerce legislative oversight subcommittee, which made headline hay in FCC fields last year, was officially opened last week. For the first time at this session, Chairman Harris got his special unit together in executive session to organize for renewed work on the Commission and other federal agencies. Harris told reporters after the session that the subcommittee discussed procedural rules, policies, staff organization under chief counsel Robert W. Lishman. No agenda was adopted and no dates for new hearings were set, however, he said.

Another impatient Senator needled FCC this week because it hasn't authorized vhf boosters. Following the recent complaint (Vol. 15:13) by Sen. McGee (D-Wyo.), Sen. Moss (D-Utah) wrote FCC Chairman Doerfer April 7: "Almost 2 months have passed since the FCC staff was directed to make a study of vhf-TV booster rule-making. Since I believe this problem has been in actual study status since some time in Jan., I cannot understand why final action has not been taken." Moss also called attention to a letter from former Sen. Dill (D-Wash.) to Sen. Fulbright (D-Ark.), in which Dill disagreed with the latter's stand—that Congress should keep its hands off the Commission (Vol. 15:10). Wrote Dill: "It should be remembered that the dominant purpose of Congress when it passed the radio law was to provide free radio service to all of the people. These little boosters come as near to doing the job as is possible in lonely parts of the country."

Baseball TV blackout bills pending in the House would deprive 13 million homes of a chance to watch games, NAB pres. Harold E. Fellows warned last week. In a letter to House Judiciary Committee chairman Celler (D-N. Y.), he asked that it take no action on the measures (HR-2370-2374 & HR-2266) until public hearings have been held—and the NAB has an opportunity to testify against them. Fellows said that only about 3.5 million homes wouldn't be affected at one time or another if Congress approves the proposed legislation. It would exempt pro sports from anti-trust laws, so baseball club owners could prevent telecasts of major games within 75 miles of minor league towns (Vol. 15:3).

Critics of USIA programs expect too much of the agency—"and too soon"—the U.S. Advisory Commission on Information said in its 14th report to Congress last week. Commission members, including GE finance committee chairman Philip D. Reed and Young & Rubicam chairman Sigurd S. Larmon, said it's unrealistic to expect that USIA efforts to communicate American policies around the world via TV, radio & other media will "win friends and influence people" instantly.

Another "ethics" bill was introduced last week—this one by Sen. Morse (D-Ore.), co-sponsored by Sen. Humphrey (D-Minn.). The measure (S-1603) would require members of the Senate & House as well as all govt. employes paid $10,000 or more per year to file regular reports on their income, including gifts worth $100. Vilators of the proposed law would be subject to $200 fines, 5 years in jail, or both.

The FCC

Stricter cut-off dates have been established by the FCC in an attempt to whittle down its ever-growing backlog of AM applications. The Commission described its move as follows: "Under this procedure, the Commission will periodically publish in the *Federal Register* a public notice listing a group of 50 applications which are near the top of the processing line and announce a date (not less than 30 days after publication) by which applications must be on file if they are to be considered with any of the listed applications. Under the present rules, an application is entitled to consideration with a prior filed application or applications if it is on file by the close of business on the day before the prior filed application or applications are granted or designated for hearing. The Commission has now amended Sections 1.106(b)(1) and 1.361(b) so that the 'cut-off' dates are stated in the alternative, whichever is earlier: (1) The close of business on the day before action on the earlier filed application, or (2) the close of business on the day before the date fixed by the public notice. Thus, the date fixed by the public notice is no guaranty that an application will be entitled to consideration with listed applications if filed by that date, but rather is the last possible filing date for comparative consideration even if the earlier filed application has not been acted upon by that time. Potential applicants, as in the past, must be guided in their decisions as to filing their applications by the public notices of the acceptance for filing of competing applications and the status of the processing line." The first cut-off date set is close-of-business May 15. In addition, the FCC changed its procedures regarding amendments so as to put at the bottom of the pile any application amended in any respect except regarding type of equipment. The new rules are covered in Public Notice 59-315 and the first list of applications is included in Notice 59-316—both of which are available from the Commission.

"Unwarranted censorship" of an IUE "Help Wanted" filmed program by 4 of 30 TV stations which had agreed to sell time for it, was charged last week by union pres. James B. Carey. In a letter to FCC Chairman Doerfer, he asked for "appropriate action" against Hearst's WBAL-TV Baltimore, ABC's WABC-TV N. Y., Frazier Reams' WTOL-TV Toledo and Crosley's WLWD Dayton "to compel them to sell IUE time requested." Carey reported 26 stations carried the 30-min. film on effects of unemployment on IUE members, but that the 4 outlets rejected it as "controversial or objectionable" after first accepting it. Their attitudes reflected "editorial prejudice of the station, if not the commercial & industrial policies of their owners & advertisers," Carey said.

FCC's 7th Annual Incentive Awards ceremony at the departmental auditorium in Washington April 9 was the biggest in the history of the agency. Length-of-service pins were given to 957 aides, 6 with 40 years in the Govt.—including all Commissioners except Chairman Doerfer, who has had only 6 years of federal service. Among the 54 receiving 30-year pins were Comrs. Craven (33 yrs.) and Hyde (34). Comr. Cross (28) was among the 249 who received 20-year pins. Included in the group of 622 with 10 years were Comrs. Lee (14), Bartley (18) and Ford (19). Superior accomplishment honors went to 33 employes, and 41 received citations for suggestions.

Among those receiving citations were engineers Robert J. Stratton and Walter W. Wallace, who on Christmas Eve of 1957 began a 42-hour search through the mountainous area around Los Angeles for a transmitter planted as a hoax by 4 aircraft engineers, later convicted & fined, who hoped it would be mistaken for Sputnik II's radio, which had gone dead 2 weeks before.

Political spots on TV can be identified by either aural or visual announcements, FCC said last week. Replying to a query from Bert Combs, "allegedly a candidate" for Ky. governor, the Commission pointed out that FCC rules require only that sponsored programs be identified by "an appropriate announcement."

New officers of ITU's International Frequency Registration Board are: P. S. M. Sundaram, India, chairman, succeeding Russia's Boris A. Iastrebov, and John A. Gracie, United Kingdom, vice chairman. The other members: Alfonso Hernandez Cata y Galt, Cuba; Fioravanti Dellamula, Argentina; John H. Gayer, U.S.; Ralf Eric Page, Australia; Rene Petit, France; Noel Hamilton Roberts, Union of South Africa; J. J. Svoboda, Czechoslovakia; T. K. Wang, China. Acting Secy.-General is Gerald C. Gross, U.S.

FTC chairman John W. Gwynne has submitted his resignation to the White House to return to his Ia. law practice. He set no date for leaving, but said it would be "quite soon." Chairman since 1955, the ex-House member was named to FTC by President Eisenhower in 1953. It was under Gwynne that the agency established its TV-radio monitoring unit to check fraudulent commercials (See p. 3).

TV profile of the White House will be produced by NBC-TV as a one-shot special during the 1960-61 season. "The White House Saga" will be scripted by Nanette Kutner, magazine writer and author, who has been gathering material and White House anecdotes since 1943. No date or time has been scheduled. Much of the show will be produced on location in Washington and will utilize the network's tape facilities there.

Networks

NETWORK SALES BRISK: What sales executives of each of the three networks term "the earliest sales season in years" gave every evidence in N. Y. last week of producing one of the biggest fall sponsor lineups in TV's history.

Currently, there is an over-all total of 69 night-time half-hours of sponsored time weekly on all 3 networks. CBS-TV and NBC-TV have some 25 hours apiece, with ABC-TV carrying about 20 (the total shifts slightly from week to week because of short-term deals). The unsold slack is about 20 half-hours weekly, and in terms of the fall outlook, is melting away with unusual rapidity.

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At ABC-TV—which again this year shows the most dramatic gain among the 3 networks—a total of 5¾ hours (nearly 12 half-hours) were still unsold in the fall lineup late last week. The ABC gain can be seen by a comparison with the sales levels of last year, when, in July, ABC still had 14 half-hours on its hands, and as late as Sept. a total of 10 (Vol. 14:29-36). "As of now we're 75% sold out for fall," was how ABC-TV v.p. & gen. sales mgr. Don Coyle put it to us.

NBC and CBS are also enjoying an early and bullish round of sales. "I doubt that any of the networks will hit a standing-room-only level," Edward F. Lethen Jr., mgr. of network sales development at CBS-TV, told us, adding, "However, we're pretty well sold out for fall, with our problems centering on contingency deals & sales running at a definitely higher level for this time of year. Last year, the recession held up sales. This season, advertisers all want to lock up early."

NBC-TV expects to have its fall schedules virtually set by the end of April, and predicts "one of our biggest seasons," according to Walter D. Scott, now exec. v.p. of the network. Scott's general fall sales forecast to us is that "NBC will closely rival CBS and will still be ahead of ABC, even though ABC is now in a competitive program situation 6 nights a week." NBC's sell-out level isn't clear, according to Scott, because of several time & program clearances still up in the air, chiefly from major cigaret & auto advertisers.

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General outlook: Networks expect to be fairly firm in fall schedules at least by the end of May, and possibly before—a gain of nearly 2 months over the 1958 situation. All are in a strong sales position, although all still have unsold shows & time periods. Unlike the situation last spring when recession-nipped budgets caused sponsors to delay commitments as late as July and Aug., brisk sales are now causing traffic jams on key viewing nights, with all networks deeply involved in juggling schedules and shows.

Some 450 disenchanted TV sponsors—the companies who were on network TV at some period between 1949 & 1957, but who disappeared in 1958—are described & partially listed in April 6 *Advertising Age*. The list is counterbalanced with names of first-time 1958 sponsors.

A typographical mishap reversed the totals for Jan. 1958 & Jan. 1959 in our network billings tabulation last week (Vol. 15:14; p. 7). To keep your record straight, please transpose these figures in your back-number file.

'TAPE NETWORK' FOR CBS OUTLETS: A non-network interchange of taped public service shows is planned to start May 30 for CBS-TV o&o stations—WCBS-TV N.Y., KNXT Los Angeles, and WBBM-TV Chicago. Craig Lawrence, v.p. in charge of CBS-owned stations, describes the plan—which sets a new pattern in public service programming among the networks—as follows:

(1) Each of the 3 stations will produce on tape 13 half-hour shows, of a public affairs nature but in a different field from the others. Duplicate tapes will be "bicycled" to non-originating stations.

(2) Each station will thus be airing 90 min. of public service programming each week, although actually producing 30 min. "The shows will be available for local or national spot sponsorship, and could even be bought as a group," Lawrence tells us.

(3) Apart from the show budgets themselves, Lawrence estimates that the costs for the tape interchange (making copies, shipping, etc.) will be "in the neighborhood of $90-$100,000 during the 13-week trial period."

(4) CBS-TV is "exploring" (but hasn't made any firm deals yet) a broadening of the plan's base to make the tape shows available for syndication to other stations, or on an exchange basis with similar shows overseas.

Although the plan is termed by Lawrence "our first use of video tape in program exchanges by CBS-owned stations," it isn't the first swap arrangement evolved by the network's o&o's. For the past 3 years, 5 of the CBS stations have been exchanging *Give Us This Day*, a 5-min. filmed religious show used at sign-off, with each station contributing its share of produced films to a pool.

The programs due to be exchanged by the three stations are: *Young Audiences*, a WCBS-TV music appreciation series aimed at school children; *Books Alive*, a KNXT literature series featuring dramatic excerpts; and *Out of This World*, a WBBM-TV science show dealing with space travel & "popular astronomy."

ABC Building Specials: ABC, seeking to double the number of spectaculars on the network next season (5 this season), is hunting for big names to star in one spectacular a month next year. Toward this end, program v.p. Thomas W. Moore is due on the Coast this week for conferences with ABC Western div. v.p. and program dir. Sandy Cummings & Hollywood producers.

Bing Crosby is already set for 2 spectaculars next season, plus his Pebble Beach Golf Tournament. Frank Sinatra may star in 6 spectaculars, and the network will negotiate for Danny Kaye to make his live TV debut starring opposite Sinatra in one of them. ABC also wants Maurice Chevalier to star in one of the Sinatra specials.

Counsel for Fulton Lewis Jr., arguing last week for a new trial in Federal Court in Washington, characterized as "grotesquely excessive" & "a shocking injustice" the $145,000 damages which had been awarded Seattle educator Mrs. Pearl Wanamaker in her libel suit against the MBS commentator. Attorney Roger Rabb was referring to the jury's award for a broadcast in which Lewis linked Mrs. Wanamaker with Communists (Vol. 15:6).

William S. Paley, chmn. of CBS Inc., was scheduled for one of his rare broadcast appearances April 11, to discuss plans for next season's CBS radio coverage of the Metropolitan Opera with Lauder Greenway, the Opera's chmn., between the acts of "Tosca," final broadcast this season.

CBS Returns BMI Shares: After "careful consideration," CBS has severed its ownership link with Broadcast Music Inc., returning at the original price of $5 per share 7,017 BMI shares purchased in 1940 and stating—in a letter from Richard S. Salant, v.p. to Sydney M. Kaye, board chairman of BMI—that CBS now prefers to be "in the position purely of a customer." Salant stated that the move had been brewing "for a long time," with CBS considering at one point "donating our stock to some charitable or educational institution interested in music." What triggered the stock return was the "overwhelming effect" of recent hearings before the Senate subcommittee on communications which, according to Salant, rendered "baseless" a pending private anti-trust suit brought against CBS by several writer-members of ASCAP.

"CBS participated in the creation of & investment in BMI to protect itself against the then monopoly position of ASCAP," wrote Salant, adding, "circumstances governing ASCAP have changed over the last 19 years." BMI, which is accepting return of the shares, will add them to its treasury holdings.

The move was foreshadowed 2½ years ago by CBS pres. Frank Stanton when he told Rep. Celler's House anti-trust subcommittee that his network would "consider" dropping its ownership in BMI after the termination of the ASCAP suit. NBC pres. Robert Sarnoff made a similar promise (Vol. 12:38).

NBC declined to comment last week on whether it would also turn back its BMI stock. An ABC spokesman said that network definitely will not give up its holdings. Before CBS turned back its 9% interest in BMI, NBC had owned 6.7%, ABC 4.5%. Since the turnback, the figures stand at about 7.3% for NBC, 5% for ABC. Remainder of the stock is held by individual stations.

Sports Network Expands: Sports Network Inc., little known outside the telecasting industry, is currently in an expansion & diversification move. Headed by Richard E. Bailey, the "network" specializes in providing stations with live telecasts of out-of-town sporting events. Its busiest time is spring-summer, when it is covering the 4 corners of the country supplying "away" baseball games to hometown stations. Sports Network expects to televise 600-700 sporting events this year.

Sports Network already has 3 mobile TV units & $300,000 worth of equipment for live sports coverage. It is now supplementing this gear with Ampex Videotape recorders, of which 2 have been ordered. "We'll have 3 or 4 before the summer is over," Bailey told us.

The network soon plans to move all its facilities except its exec. offices to a new production center at Rutherford, N. J. All its TV tape recorders will be mobile, but also available for use in Rutherford, N.J. Video tape will be used to overcome time clearance problems for relaying of sports events to stations, and other ventures.

No legal action following an accident on *County Fair* was expected last week by NBC, or Gale-Gernannt Productions Inc., the producers. On April 6, a contestant, Manfred J. Weber, a builder of Eastchester, N.Y., was seated on stage, blindfolded, engaging in a stunt with his wife, who was suppose to stamp out a burning fuse to a fake firecracker. Flour & wet sawdust, according to NBC, were released above his head to simulate an explosion, and became ignited, burning Weber, who was hospitalized by his doctor. Mrs. Weber was quoted on Tuesday as contemplating no action. All contestants sign a form releasing the network & other participants from liability for injury.

Programming

No Time for Comedy: While it's too early to spot a pattern in the wave of cancellations of Hollywood telefilm series, comedy seems to be taking the worst of it now. At this, the half-way mark in the cancellation season, about 20 telefilm series have lost their sponsors.

In a few cases—and they're the exceptions—series which lost sponsors have found new ones, and will be back—e.g., Jack Benny, Gale Storm—but most shows suffering such a fate are through permanently. Comedy shows which have lost their sponsors include besides Benny, Ed Wynn, George Burns and Bob Cummings. (The Benny series, it should be noted, is both a film & live show, the comedian this season having filmed about half of his episodes.)

However, even the Westerns aren't immune, with cancellations hitting series such as *Cimmaron City, Jefferson Drum* and *The Californians*. Other casualties include *Behind Closed Doors, The Lineup* (it may be back), *Lux Playhouse*, and *Bold Journey*. Coast-based live TV shows which have been cancelled include Eddie Fisher, George Gobel (he'll be back with new sponsor), Buddy Bregman, *Pursuit*, and Lawrence Welk's Wed. night show.

NBC has had most of the cancellations to date, losing sponsors on 9 film shows & 5 live ones. CBS lost sponsors on 5 film & one live series, ABC 5 film & one live series.

Only comfort to Hollywood executives & producers amidst this annual deluge of cancellations is that for every film show cancelled, another will take its place.

Oscar's $22,000 Boner: An expensive miscalculation occurred last week when the annual Oscar Awards telecast on NBC ended 20 mins. short of the 2 hours for which it had been scheduled—20 minutes worth about $22,000. NBC filled out the time with a sports film, and was temporarily baffled by the unprecedented situation of someone contracting for network time, and then not using the full amount. Late Tues. the network decided it must pay the stations for the unused time, and made it clear it expected the Academy to reimburse it for the amount. Payment will be mostly on a C-time basis since the end of the awards show was seen at a late hour in most areas.

Aside from its timing failure, the show was a vast success in drawing audience, amassing a Trendex of 57.8—10 pts. higher than any previous Academy show—and was seen in 29 million U.S. homes (4 out of 5 homes with sets) by 75 million viewers. CBC-TV network also carried the show for Canada. Almost 200 NBC radio stations as well as CBC radio network carried the proceedings to listeners.

Meanwhile, critics across the country singled out Jerry Lewis—who came on in an over-frilled dress shirt adorned with nickel-sized black studs and a burlesque jazzbo tie—for trying to fill time at the end by appropriating the show as a personal spectacular.

"The antics of Mr. Lewis," wrote Jack Gould, "were inexcusable. As a starter he sought to group President Eisenhower, Sammy Davis Jr. and Frank Sinatra for the purposes of a gag. He thereupon detracted from the dignity of the award to Susan Hayward as the year's best actress by ordering the audience to applaud her a second time with greater enthusiasm. His tiresome behavior reached a climax in his efforts to turn the telecast into a Lewis TV comedy show. His was a tour de force of uncompromising ineptitude." Jerry didn't prevent John Crosby from enjoying the show. Said he: "Somewhat timorously, I'd like to venture the opinion that I found the Academy Awards telecast gripping."

News & the 'Comprehension Gap': There is a widening gap between the flow of news information to the American public, and the "growing complexity of what must be understood," Sig Mickelson, v.p. of CBS and gen. mgr. of CBS News, said in an address prepared for the Texas Assn. of Broadcasters and members of the Texas state legislature April 13 in Austin, Tex. The gap is growing, said Mickelson, "despite the addition of TV to the communications media."

The job of narrowing this gap is complicated by "restrictions which hamper our total information effort," said the CBS newsman. As a prime example, Mickelson termed the FCC's recent Section 315 ruling "a most damaging blow" to TV news. Study of voter turnout in recent elections, he said, "proves to my complete satisfaction that TV created new interest in, and understanding of, issues and candidates," and added that "a blackout of political coverage by TV would be a staggering loss to the voters."

With the 1960 election campaigns heading into their first stages, adherence to the equal-time ruling would mean that TV "would have to abandon the unique tools of our trade and rely entirely on second-hand reporting—filtering the news through reporters and editors," Mickelson warned.

Equal time isn't the only problem, he added. "On the national as well as the regional level, TV's information activities are frequently hampered by the lack of equal access to official news," he said. "Our battle for permanent recognition of our requirements never ends."

The public itself must work to narrow the gap of comprehension, Mickelson said. "We can program until our image orthicon tubes wear out and our towers crumble. The newspapers can print until their presses disintegrate. But it won't do any good unless the public is interested and has some minimum background for understanding."

A total of 85 TV stations now being served by Associated Press—all formerly served as a consequence of common ownership with radio members—are now associate members in their own right, Frank J. Starzel, gen. mgr. of AP, stated last week. The number of TV & radio outlets with AP service—1878—has "nearly tripled" since 1947.

Newspapers & broadcasters bury their mistakes but give full coverage to public officials' errors, charged James C. Hagerty April 5 on CBS' *The Great Challenge.* The White House press secretary asked: "Why don't they correct their stories on the same page, under the byline of the reporter who made the mistake?"

New Pilots, Old Ideas: Ad agency men who've been busily viewing new TV film pilots on the Coast generally feel that they present nothing new, are imitative & disappointing.

For example, Sam Thurm, top TV executive of Lever Bros., shopping for two shows, went to Hollywood for a week, during which he saw 5 to 6 pilots daily. Thereafter he confided to associates: "They were rather disappointing. There was nothing new or different from what is on the air right now." He bought nothing.

Walter Bunker, Y&R coast v.p., another busy viewer of new pilots, tells us, "Ninety percent of the shows are variations of what's on TV today."

We would attribute lateness of the buying season this year to buyers waiting to see if any of the pilots still coming off the assembly line will have more to offer.

First live, sponsored color show in Washington is a series of eight 15-min. programs on WRC-TV—5:15-5:30 p.m. Sat. gardening show sponsored by Gustin Gardens Inc., local nursery, starting April 11.

No Ceiling on Agents' Commissions? Representatives & members of broadcast talent unions, principally AFTRA, protested last week to Gov. Nelson A. Rockefeller of N.Y. concerning the "Gilbert Bill" that seeks to do away with present state ceilings on commissions paid by performers to agents. The bill—which has obvious significance in affecting future costs of TV production—is an amendment to the state's general business law concerning employment agencies, and was passed late last month by the legislature. It now awaits Rockefeller's signature. State Sen. Jacob H. Gilbert of N.Y.C. sponsored it.

The prime complaint of the unions is that the wording of the bill—which creates the category of "artists' managers" in N.Y. and allows agencies to change their fee structure without authority of the Comr. of Licenses—would, as AFTRA puts it, "permit an agent to collect any amount up to 100% of the performer's payment for an engagement."

Talent agencies, although not squaring off for a battle with the unions on the issue, are expected, however, to deny that they have any such intentions, pointing chiefly to the fact that their fees (generally 10%) are derived by negotiations with & franchises from talent unions. "The going rate on talent commissions now is just double what the present laws provide in the way of basic employment agency commissions in N.Y.—5% for the first 10 weeks," one exponent of the agency point of view told us.

Late last week, Albany sources were indicating that the whole subject might be explored in a series of hearings prior to any official action by N.Y.'s governor. Meanwhile, unions representing performing talent were drumming up support of additional members against the measure.

Peabody Winners Named: For mature & intelligent treatment of their assignment, Chet Huntley & David Brinkley (*NBC News—The Huntley-Brinkley Report*) last week won the 1958 George Foster Peabody Award in the classification of TV News. The 19 series of Peabodys saw *Playhouse 90* (CBS) take the award for TV Dramatic Entertainment, including a particular mention for producer Fred Coe. The award for TV Musical Entertainment was made to *Lincoln Presents Leonard Bernstein & the N.Y. Philharmonic*, CBS.

Other TV awards: Entertainment with Humor, *The Steve Allen Show*, NBC. Education, *Continental Classroom*, NBC. Programs for Youth, *College News Conference*, ABC. Programs for Children, *The Blue Fairy*, WGN-TV Chicago. Contribution to International Understanding, "M. D. International" (on *March of Medicine*), NBC. Public Service, CBS-TV.

Writing, James Costigan and "Little Moon of Alban" (*Hallmark Hall of Fame*) NBC. Special Awards: "An Evening with Fred Astaire," NBC, and Orson Welles and "Fountain of Youth" (*Colgate Theatre*), NBC.

Radio Awards: News, WNEW N.Y. Public Service, *The Hidden Revolution*, CBS. Education, *Standard School Broadcast*, Standard Oil Co. of Calif. Contribution to International Understanding, *Easy as ABC*, ABC-UNESCO.

The awards were announced by Peabody board chairman Bennett Cerf, and presented by Dean John E. Drewry of U of Ga.'s Henry W. Grady School of Journalism. WBC pres. Donald H. McGannon presided.

Taped repeats of this season's top *Playhouse 90* dramas will occupy the entire summer season on that CBS show. In previous years, kine recordings & films were used.

Stations

NEW & UPCOMING STATIONS: KPLR-TV (Ch. 11) St. Louis, one of the few stations due to go on the air in a major market this year, hopes to begin programming as an independent outlet April 25. Studios will be adjacent to Chase-Park Plaza Hotels, and RCA 25-kw transmitter will be at Reavis Barracks Rd. & Ave. H, Lemay, Mo. Two German technicians are now in St. Louis, installing a newly-engineered antenna from Siemens-Halske Co. on the 1214-ft. tower which KPLR-TV will share with KMOX-TV (Ch. 4). The antenna is said to be unique in that it uses a continuous transmission line from transmitter to antenna, without splicers or couplings, also in that it does not require gas or fluid for dehydration or any de-icing device, operating "perfectly," regardless of thickness of ice. Principal owner and pres. is Harold Koplar of Chase and Chase-Park Plaza Hotels. James L. Caddigan, onetime Dumont exec., is v.p. & gen. mgr. Rep will be Peters, Griffin, Woodward Inc.

* * * *

WTOM-TV (Ch. 4), formerly WBDG-TV Cheboygan, Mich. plans May 16 programming with NBC-TV, writes pres.-gen. mgr. & 30% owner Les Biederman, who also operates WPBN-TV (Ch. 7) Traverse City & a string of 5 Michigan radio stations called the Paul Bunyan Radio Network. Stainless 500-ft. tower with 6-bay antenna has been ready since last Dec. & a 5-kw RCA transmitter is now being installed in studio-transmitter building on U.S. Rt. 23 near Cheboygan. Delayed by severe winter, construction has just started on 2 microwave towers necessary for picking up network from parent WPBN-TV. Robert Mills, ex-WNEM-TV Bay City, will be gen. mgr. Base hour will be $200, with station also to be sold in combination with WPBN-TV. Rep. will be Hal Holman.

WKBM-TV (Ch. 11) Caguas, P. R. has changed programming target to June 1, states owner Ralph Perez Perry, who also operates WSUR-TV (Ch. 9) Ponce & radio WKVM San Juan. Du Mont 5-kw transmitter has been installed and a 6-bay RCA antenna is in place on the 200-ft. Lehigh tower. Studios will be in San Juan. Angelet Escudero, from WSUR-TV, will be gen. & sales mgr. Base hour will be $265. Rep not chosen.

CHAB-TV (Ch. 4) Moose Jaw, Sask. has a June 1 target for programming, reports promotion mgr. Terry McBurney for owner J.D. Moffat. RCA 6-kw transmitter has been installed and construction of a 440-ft. stainless tower began this month. The RCA 12-slot antenna is scheduled to arrive by mid-April. Base hour will be $200. Rep will be Television Representatives Ltd.

KDPS-TV (Ch. 11, educational) Des Moines has an April 27 programming target, reports station mgr. C. F. Schropp, who also is director of audio-visual education for grantee Des Moines school district. Installation of a 5-kw RCA transmitter & a 300-ft. stainless self-supporting tower with 6-bay antenna has been completed.

Only TV application filed last week was by the Independent School District of Richardson, Tex., a suburb of Dallas, seeking commercial Ch. 23 for non-commercial use. Total applications outstanding are now 89 (16 uhf).

Parking-lot fire at KTTV (Ch. 11) Los Angeles on April 1 destroyed studio props and spread to an adjoining apartment building. KTTV cameras covered the fire.

Stereo Radio Progress: National Stereo Radio Committee's important Panel 1 (system specifications) held its 2nd meeting April 9, and—as one member put it—"poured the concrete for the base" of its tabulation of specifications of the 17 systems now before it (Vol. 15:10).

The panel made a start in preparing a table to classify the various systems—which include proposals for TV, FM & AM stereo broadcast techniques. Systems aren't considered "frozen"—new systems can be proposed at any time. In fact, CBS research v.p. Peter C. Goldmark currently is working on a new stereo broadcast system.

CBS's system will be submitted to NSRC, although it's not a member—having declined to join because of fears of possible anti-trust charges in connection with the all-industry effort (Vol. 15:12, 14). CBS is currently studying an FCC statement and an EIA legal interpretation aimed at minimizing this danger, but hasn't yet revealed whether it will stay out or join up. RCA, which pulled out of NSRC for the same reason, also says its legal dept. is studying the FCC statement. Research & engineering v.p. Douglas Ewing told us: "We have the papers but are not yet in a position to know what we are going to do . . . We must study how RCA will be affected."

NSRC's Panel 1 plans to meet again in about 2 months.

Cancelling scheduled May 1 oral argument in the Boston Ch. 5 "ex parte" case, examiner Horace Stern merely stated that the argument is "subject to rescheduling at a later date in event argument before examiner should be found necessary." The speculation is that he cancelled because he didn't want the proceeding to coincide with the court trial of ex-Comr. Richard Mack & attorney Thurman Whiteside, for fear that publicity in his case might prejudice the other.

Continental Telecasting Corp., which owns radio stations KRKD & KRKD-FM Los Angeles, has reached agreement to sell all its stock for $1,200,000 to Communications Corp. of California. CTC's sole stockholders are Al Zugsmith, Frank Oxarart and Jack Feldmann. CCC is owned by a syndicate consisting of auto dealer Bob Yeakel, Irving Feld, KRKD sales manager Bob Fox, Metro producer-writer Bob Smith, Albert Marks, Sydney Sundheim, E. L. Brooks, Dawkins Espy, Oxarart, Feldmann, Zugsmith.

Latest station group to expand its TV-radio news operation is Corinthian Bcstg. Corp., which on April 6 added the services of News Associates to function as its Washington Bureau, providing "specifically tailored" news & features for Corinthian's 4 TV & 2 radio outlets. In addition, news directors of the Corinthian stations will undertake "periodic travel assignments" in this country and overseas as part of the expanded news coverage, according to Johnston F. Northrop, asst. to the pres. of the station organization.

Takeover of KBET-TV (Ch. 10) Sacramento, bought by J. H. Whitney & Co. for $4,550,000 (Vol. 14:49) was consummated April 9 by new Whitney subsidiary Great Western Bcstg. Corp. Pres. of Great Western is C. Wrede Petersmeyer, who also heads Whitney's Corinthian Bcstg. Corp. Acting gen. mgr. of KBET-TV is Petersmeyer's asst. Johnston F. (Jack) Northrop, who replaces John H. Schacht, resigned, until a new v.p.-gen. mgr. is appointed.

Weather maps are received by facsimile from Washington every 20 minutes at WLW Weather Service (WLWT & WLW Cincinnati). Crosley Broadcasting says its stations are the only ones in the world with such an installation for the exclusive purpose of serving TV & radio audiences.

That 'Oldest Station' Fight: KDKA Pittsburgh reacted stonily last week to claims by KCBS San Francisco that it was "the first regular broadcasting station in the world"—a title it celebrated from March 30 to April 3, upon completion of "50 years of broadcasting." Also heard from about the KCBS claim was WWJ Detroit, long-time sparring partner with KDKA for "oldest station" honors.

Lester R. Rawlins, gen. mgr. of the Pittsburgh station, told us over the phone: "Our license was the first for regular broadcasting. Look in the Dept. of Commerce records!" (The station was indeed the first regularly licensed broadcasting station, with the date of Nov. 2, 1920.)

The KCBS claim is based on new research done by Gordon B. Greb, asst. prof. at San Jose State College. In *Journal of Broadcasting* (U of So. Cal.) he offers historical data to show that in 1909 Charles David Herrold made his first successful broadcast to crystal-set-equipped audiences in the San Jose valley—receivers which Herrold himself had installed. "There is ample evidence that Herrold operated on a daily schedule from 1910 forward," Greb states. Later licensed as KQW, the station became KCBS.

However, says KDKA's Rawlins, "So what? Experimental stations & ham stations were all over. The same is true of Dr. Frank Conrad in East Pittsburgh. He would go on the air in the same way as this fellow in California." (Conrad's 1919 station 8XK, became KDKA.) Will KDKA modify its "pioneer-station" claim? "No!" The claim appears on letterheads & ads of the Westinghouse Broadcasting Co. station and will remain.

Less of a fighting stance is taken by WWJ, which began broadcasting Aug. 20, 1920, but did not receive a commercial license until after KDKA. Edwin K. Wheeler, gen. mgr., says: "We call ourselves 'the world's first radio broadcasting station.' However, we have soft-pedalled this claim in the last few years—and it looks now like these people out West might beat us both by 10 years!" Wheeler added that he was getting tired of the whole squabble. "We use the claim only seldom—and then only when KDKA gets rambunctious. We seldom make the statement locally now, and never on the air. As a matter of fact, advertisers aren't interested in what you were: they look at you *now.*"

Conelrad test April 17 (Vol. 15:13) will work better than ever, predicts FCC's Kenneth W. Miller, chief of program, but he says that it will take about 6 months to complete certain new engineering details. He notes that networks have insisted on 5 minutes of "talkup" at the beginning and end of the 30-minute test, plus announcements during the alert—to impress the public with the fact that the test is not "the real thing."

Ammunition for National Radio Month, May, reaches station managements this week. RAB is sending 900 members a package of 17 jingles on the Radio month theme, "Radio . . . always in tune with you," a checklist of 101 sales ideas, and voice copy. NAB's kit for 1900 members includes 30 & 60 sec. jingles performed by 20 musical artists.

Experiments with special test signals may be continued until Oct. 3, FCC said last week as it extended the deadline in its rule-making from Apr. 3. Two years ago, the Commission started the rule-making to determine what kinds of signals should be transmitted between frames for the purpose of checking a variety of elements in the transmission (Vol. 13:14).

Visual Electronics Corp., supplier of station equipment, has moved to larger quarters at 356 W. 40 St., N. Y. 18.

Los Angeles' Ch. 34 was awarded to Sherrill C. Corwin last week by FCC, which sustained the initial decision issued by examiner Basil P. Cooper last Aug. (Vol. 14:32). Corwin, owner of 15 Cal. theaters & 15% of KAKE-TV (Ch. 10) Wichita, as well as being grantee of KBAY-TV (Ch. 20) San Francisco & KFMX-TV (Ch. 27) San Diego, won out over the opposition—a partnership doing business as "K-uhf"—because of the latter's finances, which were less than $7500 cash.

Planning to merge their applications for Ch. 5 in Weston, W. Va., off-air stations WJPB-TV (Ch. 35) Fairmont, W. Va. & WENS (Ch. 22) Pittsburgh last week were given until Apr. 23 to reach a consolidation agreement in a ruling by FCC examiner Jay. A. Kyle. The merger would reduce competing applicants to 2, the other being WAJR Morgantown, W. Va., controlled by steel plant owner Agnes J. Reeves Greer who also owns other off-air Pittsburgh station, WKJF-TV (Ch. 53).

Sale of KXII (Ch. 12) Ardmore, Okla. (formerly KVSO-TV) for $160,000 to Texoma Land TV (headed by Bill Hoover, KTEN Ada, Okla.) was approved by the FCC, which also approved the station's site-move application. At the same time, the Commission turned down the petition of KFJZ-TV (Ch. 11) Ft. Worth, which requested that Ch. 2 be shifted from Denton, Tex. to Ft. Worth, and that Ch. 11 be shifted from Ft. Worth to Denton.

RCA shipped 6-kw transmitter April 10 to WOW-TV (Ch. 6) Omaha, and a custom slotted antenna April 9 to WLEX-TV (Ch. 18) Lexington, Ky.

Auxiliary Services

Problem of illegal boosters bothers the Ariz. Bcstrs. Assn., which wired FCC this week: "The 40 radio stations and 8 television stations who are members of the Ariz. Bcstrs. Assn. are seriously concerned about the problem of illegal vhf television booster operations. We will consider this problem and submit recommendations to the FCC at our spring meeting April 24th and 25th. We strongly urge that the Commission delay any action on this matter until after these dates. We further urge that all Commission decisions on vhf boosters be guided by good engineering practices and not be dictated by political pressure. The entire membership of the Ariz. Bcstrs. Assn. is squarely behind the FCC in this matter."

FM will be added this week to Jerrold's 2000-subscriber S. Jersey Cable Co., Ventnor (Atlantic City), N.J. At no extra cost, subscribers with FM sets will be able to receive all of Philadelphia's FM stations through the community antenna. If the experiment meets with subscriber approval, Jerrold will study the possibility of adding FM to some of its other CATV systems.

Community antenna system in Glendale, W.Va., has been discontinued by owner Sam Shaw after 7 years of operation. Shaw says he lost $1500 in the last 4½ years, largely because viewers are now getting substantial service from stations they can pick up with their home antennas.

Three translator CPs granted by FCC last week: Ch. 74, Likely, Cal., to Likely TV Club . . . Ch. 77, Pendleton, Ore., to Umatilla Rural TV Inc. . . . Ch. 76 Canby, Cal., to Canby TV Club.

Translator starts: W74AC Claremont, N.H., began April 1 repeating WRLP Greenfield, Mass., replacing W79AA Claremont, which now carries WCAX-TV Burlington, Vt.

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Personals: James E. Szabo, sales mgr., named gen. sales mgr., WABC-TV. **Robert F. Adams** appointed asst. sales mgr., **William Scharton**, national sales mgr. . . . **William D. Swanson**, gen. mgr. of KTUL-TV Tulsa named a v.p. . . . **William F. Budde**, ex-KWK-TV & KWK (now KMOX-TV) St. Louis, named comptroller & business mgr., KPLR-TV St. Louis . . . **Checchi & Co.**, Washington consulting economists, now at 1612 K St. NW (Executive 3-3227) . . . **Len Stein**, business mgr., KUAM-TV & KUAM Agana, Guam, named gen. mgr., WSTA St. Thomas, Virgin Islands . . . **A. H. (Al) Constant**, gen. mgr. of KBAK-TV Bakersfield, rejoins KRON-TV San Francisco in new post of station mgr., retaining his position as v.p., Bakersfield Bcstg. Co. . . . **Max Bice**, asst. mgr. & chief engineer of KTNT-TV Tacoma-Seattle, named station mgr. . . . **William Beaudine Jr.**, ex-MGM-TV, named film production mgr., Independent Television Corp.; **Claude Traverse**, ex-NBC, appointed tape production mgr. Both are new posts. **Ellingwood (Bud) Kay**, ex-Screen Gems, named exec. story editor . . . **B. Gerald Cantor**, chairman; **John B. Bertero**, pres.; **Charles L. Glett & Jack M. Ostrow**, directors of National Theatres, elected directors of subsidiary National Telefilm Assoc. They replace **Burt Kleiner, Robert Westheimer, William H. Hudson & Edythe Rein**, resigned. Miss Rein continues as senior v.p., NTA (Vol. 15:14). **Leo Lax** named gen. mgr. for NTA International's operations in Italy, France, Belgium & Luxembourg. **Eric H. Haight** resigns as v.p.-treas., NTA; and **George Crandall** resigns as p.r. dir. . . . **John G. Stilli**, sales mgr., KDKA-TV Pittsburgh, appointed account exec., Television Advertising Representatives Inc. . . . **Val Conte** promoted from sales service mgr. to new post of commercial operations mgr., KTTV Los Angeles. **Al Pryor** named sales development mgr., also a new post . . . **Hank Warner** promoted from gen. mgr., press information to press information dir., CBS-TV . . . **Jim Knight** named promotion dir., WTRF-TV, Wheeling, W. Va. . . . **Don LeMasurier** named promotion mgr. of KDAL-TV & KDAL Duluth-Superior, succeeding **Dale Cowle**, who shifts to affiliated radio KBIZ Ottumwa, Ia. as exec. v.p.-gen. mgr. . . . **William E. Kelley**, national sales mgr. of WSPD-TV, Toledo, joins AM Radio Sales Co., N. Y. April 15 as account exec. . . . **Eugene H. Alnwick & Philip D'Antoni** promoted from account execs. to administrative mgr. of network sales and div. mgr., respectively, Mutual Broadcasting System.

Robert McMahan promoted to v.p. & TV director of KREX-TV Grand Junction, Colo., succeeding **J. L. Robinson**, now gen. mgr. of KGHL Billings, Mont. **Doug Weikle** named director of radio KREX, **Bill Cleary** news director.

Norman Gittleson has resigned as exec. v.p. and gen. mgr. of WMUR-TV Manchester, N.H. . . . **Herbert E. Evans** named pres. of Peoples Broadcasting Corp. (which owns 5 radio stations & KVTV Sioux City, Ia.), succeeding **Murray D. Lincoln** who remains as gen. chairman, a new post . . . **George Kolpin** named sales mgr. of "extended market plan" div., CBS-TV sales dept. **Raymond C. Dillon** succeeds him as asst. business mgr. . . . **Jack Berch**, onetime ABC radio star, named senior v.p., TV commercials div., Transfilm.

Victor R. Hansen, chief of the Justice Dept. antitrust div.—as expected—has submitted his resignation and his first asst. Robert A. Bicks is considered the strongest contender to succeed him. Bicks has played a major role in Justice Dept. activities affecting TV-radio-electronics, including personal participation in FCC's Miami & Boston "influence" hearings. Hansen will leave within 2 weeks, and plans to establish law partnership in Los Angeles with a "prominent" but unidentified friend.

McGavren-Quinn rep firm changes name to Daren F. McGavren Co., following resignation of Donald J. Quinn, (Vol. 15:14), with McGavren continuing as pres. Cy Ostrup, from Los Angeles office, is named San Francisco mgr.; Charlye King, asst. to pres., becomes West Coast business mgr.; and Walter Lake continues as Los Angeles mgr.

New regional chairmen of the Amer. Assoc. of Advertising Agencies were named last week: Wallace W. Elton, v.p. of J. Walter Thompson (East); W. Stanley Redpath, exec. v.p. of Ketchum, Macleod & Grove (East-Central); Alexander Gunn III, v.p., J. Walter Thompson (Central).

Comr. Robert E. Lee will address the spring meeting of the Arizona Broadcasters Assn., to be held April 24 & 25 in Phoenix at the Ramada Inn. Another speaker will be NAB v.p. Howard Bell, reporting on industry problems.

Vice President Richard M. Nixon will present Emmys to winners in the news & public service categories on the May 6 telecast of the 11th annual Emmy awards.

Robert Cadel, since 1947 business manager of TELEVISION DIGEST, and asst. to publisher in charge of its semi-annual TELEVISION FACTBOOK, joins *Print Magazine* in that publication's Washington business office (1519 Connecticut Ave. NW) as co-publisher.

New staff member for TELEVISION DIGEST'S Radnor office is Alan J. Jacobson. A World War II radar man, with 5 subsequent years in TV-film production, he has had editorial experience on *The New York Times*, *Printers' Ink*, and TV trade publications.

The $5.6 million sale of WSOC-TV (Ch. 9) & WSOC Charlotte, N.C. by a group headed by E. E. Jones to the Cox family (Vol. 15:5) was approved by the FCC last week, Comr. Bartley dissenting. Cox interests also own WSB-TV (Ch. 2) Atlanta, WHIO-TV (Ch. 7) Dayton, and 42.5% of WCKT (Ch. 7) Miami. They also publish the *Atlanta Journal & Constitution*, *Miami Daily News*, Springfield (O.) *Sun & News*.

Power ceiling of Class IV AM stations has been increased from 250 to 1000 watts as of April 16, the FCC announced last week in an amendment of rules. The rules permit power increases for all stations except those near Mexico or Cuba—"within an area 62 miles or less from the U.S.-Mexican border, or in the state of Florida within an area south of 28 degrees north latitude and between 80 and 82 degrees west longitude."

Advertising

YOU AUTO BUY LIVE TV: The auto industry's "big 2" last week signed up for about $28 million worth of live shows on NBC-TV next season—2 of the most expensive single series ever placed on TV—fast on the heels of the disclosure of Pontiac's $4 million 8-spectacular buy for next season (Vol. 15:14).

Ford will sponsor a series of 39 weekly shows—some of them one hour, some 90 minutes, some 2 hours—Tuesdays at 9:30 p.m. Basically variety-comedy in format, they'll also feature some special events. Featuring big-name performers, the total time-&-talent bill could be in the $15 million range. Under the flexible schedule, time will be pre-empted for the 90-min. & 2-hour shows. The talent for the show will be provided by MCA. The 39-week schedule, placed through J. Walter Thompson, will include 9 repeats.

Chevrolet's 10-year preference for live TV was underscored last week with a 52-week renewal for *The Dinah Shore Chevy Show*, effective late October & for a live summer replacement series in 1960 to be produced by Henry Jaffe Enterprises. The expenditure for time & talent will be about $13 million. Says Campbell-Ewald's A. J. (Pete) Miranda: "The auto business changes so rapidly in terms of what Chevrolet may want to emphasize in any given week—used cars, luxury, economy, roominess, etc.—that we follow live TV commercials on Dinah's show right down to air-time."

Tape commercials (less than 20% of the total), are done just before airtime when there are special effects that might not go off properly during the show.

* * *

Specials (really "just hour-long shows") will increase for 2 reasons, Benton & Bowles' Tom McDermott told *Radio-TV Daily* last week: to meet competition & help networks gain control of programming. The B&B v.p. predicted that Westerns would again be supreme (an opinion in agreement with our Vol. 15:14).

Of those watching *Zorro*, more than 3 out of 4 homes (75.1%) can correctly identify the sponsors (7-Up and AC spark plugs), according to a special 6-market "personal coincidental" survey by Pulse Inc. for ABC-TV. Other factors: The Disney-produced Western attracts 1.44 adults per set, and in the *Zorro* homes 7-Up was used more often (38.0 vs. 30.8%) than Coca-Cola, while the reverse was true in homes watching *December Bride* on CBS or *Steve Canyon* on NBC. More than 85% of *Zorro* homes owned a car, as compared with 78.6% among non-TV viewers. The study was made, says ABC, because of "a tendency to understate the adult audience for *Zorro*."

June Allyson will be hostess of a half-hour anthology series bought for next season by the textile fiber div. of Du Pont, to begin on CBS in Sept. The deal is for 39 first-runs & 13 reruns. Four Star, owned by her husband, Dick Powell, and by David Niven and Charles Boyer, will produce. Miss Allyson will star in about 10 of the episodes. This Du Pont div. has previously been in TV with spots on *The Steve Allen Show*. No title selected yet; budget probably about $50,000 per show.

Employes of Joseph Katz Co., N. Y., have acquired the company's stock. The group, all officers of the company, include Harry Kullen, pres.; Charles W. Shugert, exec. v.p.; and Paul Carpenter, secy.-treas.

Busy Sales Week: Jack Benny will move into a 10 p.m. slot on Sundays starting September 27 under Lever Bros. sponsorship. Following the pattern of American Tobacco (Benny has been alternating with American's *Bachelor Father*), Lever will also sponsor a half-hour show at the same period with George Gobel in alternate weeks. In other signings last week:

Colgate-Palmolive bought alternate-week sponsorship of *Black Saddle*, pairing off on the Sat.-night show with Liggett & Myers, effective this week.

U.S. Steel renewed its franchise on the *U.S. Steel Hour* on CBS-TV for the 1959-60 season. It will be 4th year on CBS for the drama series.

Procter & Gamble renewed NBC-TV full sponsorship of *This Is Your Life* for the coming season, marking a 6th year with the Ralph Edwards package.

Mars, Inc. signed for Sunday afternoon, 4:30-5 p.m., sponsorship of *Broken Arrow*, starting in Oct., on ABC-TV. The film series formerly occupied a Tues. evening spot on the network.

In Other Media: Magazines are going in for a rash of their own "spectaculars," points out Grey ad agency, noting Chrysler's 3-page cover spread in *Life*, the combo "Dutch Door" ad for Pillsbury's, French's, and American Dairy Assn. in *Ladies' Home Journal*, and Ford's 36-pager in May *Reader's Digest* (reported to cost $780,000) . . . *McCall's* is using a 25-min., cartoon, sound-slide film presentation to kid many phases of advertising, especially network TV . . . ANPA expects from 300 to 800 newspapers to participate in a "Live better . . . with a new car" campaign (Apr. 6-18) to recoup from 1958's 24% automotive linage drop from 1957 . . . Magazine earnings in 1959, predicts United Business Service, are likely to exceed those of 1958 because of increased linage & higher rates. They regard stocks of the leading publishers as "attractive holdings for investors." . . . All 3 Cleveland dailies recently raised their newsstand prices to 10c . . . Hearst Consolidated Publications Inc. report a 1958 advertising revenue drop of $9.1 million, a circulation revenue drop of $72,641, and a net loss of $2.7 million for the year, vs. 1957's net profit of $19,327. However, the first 2 months of 1959 show a small gain in ad linage vs. last year's period . . . McCall Corp. reports $1.1 million net profit gain over 1957, and the 2nd highest net-sales year in its history (first: 1957) . . . Magazines are currently facing the ticklish issue of whether to turn down the copy of one advertiser whose product is against the interests of a large group of other advertisers. H. W. Kastor ad agency has taken space in *Advertising Age* to protest tobacco pressure & the action by some major magazines in turning down ads for Bantron ("If you want to stop smoking").

Subliminal persuasion isn't persuasive at all on TV, 2 Indiana U professors have concluded, following a series of 5-week tests they conducted over WTTV (Ch. 4) Bloomington-Indianapolis. Melvin L. De Fleur & Robert Petranoff found that "interesting effects" of subliminal perception can be produced in classroom demonstrations, but that "subliminal persuasion may be a controversy without a factual issue" when it comes to responses of regular TV viewers. Subliminal slide commercials were superimposed on WTTV film programs, but "failed completely to produce any noticeable results," De Fleur & Petranoff reported. Similar slides ("Watch Frank Edwards") plugged WTTV's news analyst. "No measurable effect" was noted. "In fact, the size of the audience suffered a slight decline."

People: **Robert M. Watson,** former chairman of the board, Erwin Wasey, Ruthrauff & Ryan, joins Kudner Agency as senior v.p., member of exec. committee and dir. . . . **Fred L. Lemont** elected v.p., Ted Bates & Co. . . . **George McGarrett,** former exec. producer, NBC, named program supervisor, TV dept., Lennen & Newell . . . **Ralph F. Linder,** ex-Tatham-Laird Adv., Chicago, named Donahue & Coe v.p., grocery products div. **Daniel M. Gordon** resigns as media dir., Donahue & Coe, effective April 15 . . . **Sylvester Cleary,** ex-Reach, McClinton & Co., appointed adv. mgr., Mennen Co. . . . **Ruth J. Cerrone** & **Brendan J. Baldwin** elected v.p., Kenyon & Eckhardt . . . **Joan Chamberlain** elected v.p. Ogilvy, Benson & Mather Inc. . . . **Lee Rich,** media v.p., Benton & Bowles, elected to the board of directors . . . **Hilliard S. Graham** & **Joseph Furth** promoted to v.p.'s, Erwin Wasey, Ruthrauff & Ryan, Chicago office . . . **Anthony S. Gee** promoted from media group supervisor to media dir., Erwin Wasey, Ruthrauff & Ryan, succeeding **Harry D. Way** (Vol. 15:9) . . . **Mark Martin Jr.,** Chicago exec. v.p. of Caples Co., named v.p. of Bozell & Jacobs, Chicago . . . **Howard Eaton,** media dir. of Lever Bros., is the new chmn. of the broadcast advtg. comm. of Assn. of Natl. Advertisers, succeeding George Abrams, pres. of cosmetics & toiletries div. of Warner Lambert Pharm. Co. Abrams continues on ANA board . . . **Peter V. Lorne** promoted to managing dir., McCann-Erickson Ltd., London . . . **Thomas C. Wainwright,** ex-Wentzel, Wainright, Poister & Poor Adv., named v.p., Kastor, Hilton, Chesley, Clifford & Atherton.

John Forney, TV-radio v.p., Robert Luckie & Co., promoted to exec. v.p. **Arden Moser,** named media dir. . . . **Frederick L. Olsen,** media dir., Hixson & Jorgensen, elected v.p. . . . **Paul Freyd** named mktg. dir., BBDO, succeeding **Ralph Head** resigned . . . **Harry E. Wholley** named adv. v.p., American Home Foods, American Home Products Corp. subsidiary . . . **Arthur Sawyer,** ex-Young & Rubicam, San Francisco, named media dir., Johnson & Lewis Adv. . . . **Samuel Chew,** partner in Chew, Harvey & Thomas, Philadelphia, resigns April 15 to form his own agency . . . **Jan Tangdelius,** promoted from exec. v.p. to pres., Fulton, Morrissey Co., succeeding the late **John G. Maynard** . . . **Lee Peer,** ex-KSHO-TV Las Vegas, has formed a new agency, Adler, Peer & Assoc. (810 West Keno Lane, Las Vegas) . . . **William Eisner,** formerly v.p. and creative dir., Carl Nelson & Assoc., has opened his own agency—William Eisner & Assoc., with offices at 176 W. Wisconsin Ave., Milwaukee.

Jack J. Page, ex-pres. of Page Productions, named v.p. for TV, O'Grady-Andersen-Gray, Chicago . . . **C. R. (Bill) Pope Jr.,** promoted to v.p. & gen. mgr. at Holst & Male, Honolulu . . . **Arthur P. Felton,** ex-Cunningham & Walsh v.p. & mktg. dir., named to new post of mktg. dir., American Brake Shoe Co. . . . **Milford Baker** named contact dept. mgr., Young & Rubicam . . . **George R. Darcy,** senior v.p., **Robert H. Bush,** public relations v.p. resign from Rumrill Co., effective July 1.

J. Ward Maurer, who retired April 1 as adv. v.p. of Wildroot Co., was cited by Advertising Research Foundation for "eminent service to and constructive leadership of the ARF," at a board meeting. Ben R. Donaldson, board chairman, made the presentation.

Obituary

Howard Corbin Wilson, 77, founder & honorary chairman of Wilson, Haight, Welch & Grover Adv., Hartford, died April 6 at Hartford Hospital following a short illness. He is survived by his wife, a son and 2 daughters.

Film & Tape

INSTABILITY—FILM'S REAL VILLAIN: When the TV-film industry was younger, there were about 80 separate TV film companies. The laws of economics have cut that figure in half, and some Hollywood observers predict that eventually there may be only 10 or 15 organizations. Sometimes the insecurity of it all adds up to an incredible Alice-in-Blunderland existence, as producers, executives & even production companies are banished after a disastrous year.

Currently Hollywood is facing up to another buying season for TV film, &, conversely, another season when shows are cancelled. The TV-film industry, as usual, watches anxiously as ad agency representatives scurry to & from N.Y., peer at the multitude of pilots—decide whether to retain their present shows or replace them.

On the experience of past years, 40 telefilm series will be cancelled before all this activity subsides. That's about two-thirds of all telefilm series on prime network time. The result of this turmoil is an annual re-evalution at all the TV film companies, and often a change in personnel if the company has not done well.

Instead of bringing a solution to the dilemma of insecurity, time has only increased the instability. In the past season many shows were cancelled after 13 weeks on networks, some even sooner. The era when 39-week series contracts were commonplace has become a fond memory to Hollywood's executives & producers. Some of those precious contracts are still handed out, but on the whole, agencies & sponsors appear to become more cautious, and more inclined to sign short-term deals.

One of the new hour-long shows sold for the coming season is reported to have a sponsor for only 5 shows. Its fate thereafter depends on its quality & ratings. Last year a new hour-show was sold with no firm commitment; the sponsor said he'd simply buy it from week to week—depending on ratings. Luckily for the studio & network involved, the series made the grade; otherwise there would have been an enormous financial loss.

Producers plead that the only solution is the 39-week deal which gives them a chance to turn out better quality and build ratings. But admen argue that a sponsor who invests a lot of money in that long a series—which the public subsequently chooses to ignore—will remember the experience long after cancelling the show. (*Medic,* it will be recalled, used to refer to this as a trauma.)

Sympathetic ad agency men say that if it were up to them, they would contribute to stability by accepting 39-week contracts. But, after all, they point out, they represent a client & can't afford to risk a bad investment.

Nobody seems to know the answer to it all. It does explain, however, why Desilu is the leader in the industry one year, Revue another, Screen Gems still another—and why executives flit from one company to another—and why TV producers, increasingly cautious, would rather make a Western, with a fairly good chance to sell, for example, than an offbeat series which, although of top quality might nevertheless scare off potential buyers.

Because 200 telefilm pilots are being turned out in Hollywood this season, Don Sharpe, head of Sharpe-Lewis Productions told us they have postponed plans to film 3 this spring. Says he: "This is the wrong year to make them. There are too many." The projects: *Night Patrol* & 2 untitled hour-long action-drama series.

Hollywood Roundup: Albert J. Cohen, recently resigned as producer of the Ann Sothern show, has formed the independent telefilm company, American Television Productions. First series venture is *Cardigan, Special Detective, Honolulu*. . . . Producer-writer Allen Rivkin makes his debut as a telefilm producer on *Troubleshooters* for Meridian Productions. Keenan Wynn & Bob Mathias star.

J. Walter Thompson is seeking—unsuccessfully so far—3 half-hour telefilm series for next season. Client 7 Up will probably withdraw from *Zorro*, & Quaker Oats has dropped *Naked City* . . . No decision has been reached yet on whether Walt Disney will continue production of *Zorro* next season . . . NBC has set still another western *Wichita Town*, for next season. The series, to star Joel McCrea and his son, Jody, will be produced by the Mirisch Co.

CBS will finance filming of 2 segments of *The Last Frontier*, 20th-Fox TV hour-long series. The network will buy 11 more scripts. Martin Manulis Productions and Art & Jo Napoleon will co-produce the series for 20th. . . . *Bachelor Father* telefilm series moves from CBS to NBC June 18—for 65 weeks. American Tobacco & American Home Products are alternate sponsors.

Stranger Than Fiction is the title of a new TV series planned by Andrews-Spears-Wolper Productions.

Movie producer-writer Charles Schnee planning his debut in film TV, with 3 series. He has finished the pilot script of a new Western series, plans a private eye series, and is negotiating for a 3rd series . . . Duties of Ted Rogers, film programming chief of Jack Wrather's ITC, have been expanded to encompass tape & live productions of the company. . . . Producer-writer Rod Serling is in discussions with Goldwyn and Metro to rent production space for his *Twilight Zone* series for CBS.

Paramount will finance pilots for *On Guard* series & *Heave Ho Harrigan*. The former, about the Coast Guard, is being done in association with Rear Adm. Thomas S. Dykers (ret.); the latter with Goodson-Todman Productions . . . Samuel Fuller will produce a new Western series, *Trigger-Happy*, for CBS.

Screen Gems is planning another Western pilot, *The Peacemaker*. . . . *GE Theatre*, produced by Revue, will probably be renewed, but GE will also most likely cut the budget for next season. GE reps & Revue executives are now in renewal discussions, involving more reruns & less sponsor outlay.

Rexall Drug is shopping around for specials for next season. . . . Lever Bros., through BBDO, has renewed the Groucho Marx show for next season.

Paramount will tape a half-hour pilot for *The Happy Time*, an adaptation of Samuel Taylor's 1950 Broadway play, at the company's KTLA studios. Claude Dauphin, who starred in the play, June Vincent and Mischa Auer have been cast . . . General Foods and P. Lorillard have bought *Hennessey*, the new Jackie Cooper comedy series co-produced by Cooper & Don McGuire for CBS to show next season. No time set.

Union squabbles can be blamed for increasing reliance by independent Hollywood producers on foreign sources for recorded music used in films, the NLRB has been told. Testifying in a dispute between the unaffiliated Musicians Guild of America & AFL-CIO AFM over bargaining rights (Vol. 14:30), studio lawyer Gunther H. Schiff said that producers are subject to picketing if they sign contracts with either rival union. So they go overseas to get recordings rather than face disruption of production by U.S. musicians, he said.

New York Roundup: NBC-TV will move one of its top production executives in as head of fast-growing TeleSales subsidiary that's expected to rack up over $1.5 million in video-taped commercials this year . . . United Artists is reported seeking TV rerun rights to some 740 RKO features which Matty Fox's C & C Super Corp. has been distributing in first-run TV deals (largely on a barter basis) since 1955 . . . Tape's inroads in the film industry is bringing some action from at least one major supplier. Eastman-Kodak has established a new p.r. campaign to boost the use of TV film—particularly its still-experimental process in which film will be developed and ready for screening within a few minutes.

CBS-TV is said to be planning a special motivational research study on *The Invisible Man*, a British-produced film series due to return to the network May 21 . . . Only one night a week in *The Jack Paar Show*—Fridays—will actually be live after April 16. The Monday-through-Thursday shows will all be pre-taped. The Friday program is primarily a showcase for legitimate theater stars.

Film syndicators who do business with overseas markets are making another attempt this week to organize their own export association. Representatives from such firms as CBS Films, MCA, Screen Gems and UA-TV will meet at CBS this week to discuss the proposal . . . Screen Gems is now in full production on *Stakeout*, being filmed on location in Florida and due for syndication this fall. No studio interiors are used in the series, and Florida residents play all the bit parts.

Loretta Young Show will be dropped by Procter & Gamble only if it is unable to have the show moved out of its present Sunday-night time slot. (They prefer not to be opposite competing Lever Bros. who'll be sponsoring Jack Benny & George Gobel on CBS.) In any event, Miss Young is committed to NBC for 3 more years. Purchase by NBC-TV of the half-hour film show could bring some 200 episodes into the California National fold for syndicating as a daytime rerun package. Also proposed as a future syndication group: Reruns of *The Phil Silvers Show*, which is owned by CBS-TV and is being dropped at the end of its 4th season by the current sponsors.

First independent telefilm outfit to have a link with a major music publisher is likely to be Jack Wrather's Independent TV Corp. Wrather's attorneys last week were examining the books of Mills Music, Inc.—which holds rights to many top tunesmiths, including Hoagy Carmichael—preparatory to a purchase deal said to be in the $3-$5 million category. Buying Mills would give Wrather (who also owns a major interest in Muzak) a pool of material, a publishing outlet for new songs developed in TV series, and other advantages in his multi-faceted broadcast & telefilm operations. Movie ownership of a music publisher isn't new (Warner Bros. pioneered it years ago, and every movie major is in the music act today), but so far it hasn't been explored in the TV field.

Bulova Watch Co., once a leading spot TV advertiser, is making a network TV splash this spring, having signed short-term (3-5 wks.) participations on 4 NBC shows.

Sampling of TV movie tastes has just been concluded by WRCA-TV N.Y., which ran one-shot ads in newspapers asking viewers to select the movies they would most like to see on forthcoming weekends, from a list of 50 features in the station's film library. Nearly 10,000 replies were received. Top 3 winners: "Call Northside 777," "The Rains Came," "Mother Wore Tights." Air dates are being set.

How Tape Boosts Audiences: Network advertisers got a 20% audience bonus last summer because video tape has "made possible network telecasting during periods of greater audience potential." So states an NBC research study of sets-in-use figures for the Eastern time zone during 1958 daylight saving time.

With tape, says NBC, the network schedule can be carried from 7:30-10:30 p.m. when sets-in-use average 53.4 in daylight saving time. "If tape had not been available, this same schedule would have been carried from 6:30-9:30 p.m., when sets-in-use average 44.4." With viewing habits unbroken during the summer, the result is increased evening audiences. "Network audiences in video tape markets were 20% higher during daylight saving time, 1958, than in 1957, while there was virtually no difference during the regular season."

Ampex plans no change in its Videotape recording system to incorporate "electronic quadrature adjustment," featured on RCA TV tape recorders (Vol. 15:12). In response to "numerous inquiries," this statement was issued last week by Videotape Recorder inventor Charles P. Ginsburg, Ampex mgr. of video engineering: "When a broadcaster must splice together 3 or 4 short taped commercials there is no time to twist manual quadrature adjustment knobs or any other knobs. I am deeply concerned about the misunderstanding to which broadcasters have been subjected concerning quadrature alignment of video recording heads. I believe that it is irresponsible to propose using local, manually-adjusted delay-lines for control of this important factor in TV tape interchangeability."

Tape's ability to permit movie-like "location dramas" was to be demonstrated April 12 with an *Omnibus* hour-long adaptation of "The Strange Ordeal of the Normandier." Robert Saudek, producer, actually taped the nautical melodrama in 3 shooting days (April 8, 9, 10) last week aboard a freighter berthed at Bayonne, N.J., using 8 cameras, a 20-man crew and 15 cast members. A rented Hudson River excursion boat functioned nearby as control room and floating hotel.

That film or tape is the preference of most Hollywood stars is no secret. They share an aversion to the live brand, in which anything can happen—and usually does. Says Rhonda Fleming, who made her live TV debut recently on NBC's *Chevy Show*: "It's killing. I asked everyone why the show wasn't done on tape, and nobody could give me an answer. If a performer can live through one of those live shows, he can live through an atom bomb."

TV commercials taped in big batches at one-stop retail shopping centers by local stations using mobile units will be "far easier to prepare than even your print advertisements," Howard P. Abrahams, v.p. of TvB, told a Miami convention of retail merchants. Unless stores choose "to study TV," he warned, they run the risk of missing "new customers and markets."

Another tape show will soon be syndicated. ITC is the latest to take the plunge (as predicted Vol. 15:12), with *Ding Dong School* as its first tape property. The well-known juvenile program, which went off NBC-TV two seasons ago, will again feature Dr. Frances Horwich, will be produced by ITC's Ted Rogers, and will be offered to tape-equipped stations starting June 13.

TV competition is hurting Melbourne movies. A survey by the Australian government finds that 17 theaters have closed in the last 12 months, in the city & suburbs.

O, Pioneer! The shutdown of the Hal Roach studios in Hollywood came as no surprise to coast telefilm industry figures. While Hal Roach Jr.'s current difficulties stem directly from his alignment with the Scranton Corp. & F. L. Jacobs Co., to whom he sold the studio, it was apparent even before the sale that trouble was in the making.

Roach is one of telefilm's pioneers. He started producing them 11 years ago, when few in Hollywood were even taking notice of the new electronic medium.

As commercial TV began to make impact on the American audience, Roach's Culver City studio prospered, turning out series fast & inexpensively, such as *Public Defender* & *My Little Margie*. While the studio was not noted for quality, it was doing well.

Several years ago young Roach made a deal for a series to be produced in conjunction with the Screen Directors Guild, the idea being the Guild would give the services of Hollywood's top movie directors & the prestige of its name, in return for a 50-50 profit split. A sponsor was found & the series was seen on NBC. Unfortunately, as it developed, movie directors who excelled in the theatrical film medium were unaccustomed to the pace of TV. In addition, there was no single producer of the series, which was handled by several individuals both with the Guild & the Roach studio. As a result, the quality of most of the series was inferior, and it was cancelled after one season. This failure was a distinct setback for Roach.

He obtained less & less business, and became involved in further difficulties. His own agency, William Morris, sued him in Los Angeles for over $300,000 it claimed he owed on commissions. His sale of the studio to Scranton was announced at a typical Hollywood press conference, at which Roach said $20,000,000 in production of movies and TV film was planned. None of these ambitious plans came into being, and as Scranton became involved in legal difficulties with the Govt., Roach's own position became precarious. There followed his short term as pres. of Scranton & his subsequent ouster.

Today, the trail of the pioneer is indistinct in the Los Angeles smog. Roach may yet make a comeback, but meanwhile the studio his father built, and where he turned out the vintage Hal Roach hits—Laurel & Hardy, Abbott & Costello—is closed. When you call the Roach lot today, the voice at the other end—a recording—says with dreadful impassivity: "Sorry, the number you are calling has been disconnected."

Iron Curtain viewers will soon have their first TV look at some U.S. silent movie comedies, Paul Talbot, pres. of Fremantle Intl. Films, N.Y., tells us. His firm has just signed its first east-of-the-Curtain telefilm deal through its London office, selling 20 quarter-hour episodes of its *Movie Museum* series to Poland's Telewizja Warszawa. The limited circulation (80,000 sets) in Poland and tight funds make it a very small money deal, says Talbot, but he anticipates peak viewing in TV-equipped areas for the snatches of old Chaplins, Keatons, etc. in the series. The sale underlines some degree of "independence" for Poland as a Red satellite, inasmuch as similar conversations held last year with Moscow TV officials bogged down, and no Russian deal could be made.

Russians will see video tape recordings at the American National Exposition which begins July 25 in Moscow. Ampex will install a color VTR at the exposition and will tape one hour daily of the special RCA-NBC live programming which will be presented there (Vol. 15:14). Tapes will also be made of American products at the exposition.

Trade Report . . . .

APRIL 13, 1959

TV-RADIO SERVICE---$2.5 BILLION INDUSTRY: The public now spends about 25% more each year for maintenance & installation of TVs, radios & phonos than it does to buy new ones.

Nation's 1958 bill for home electronics repair & installation was $2.4957 billion—according to Sylvania's Frank Mansfield, director of EIA's marketing data dept. For new TVs, radio & phonos, American public paid less than $1.9 billion last year.

Maintenance-installation bill for 1958 breaks down this way: $818.4 million (factory value) in replacement parts, components & tubes, to which is added $540.1 million in distribution revenues (markup) and $1.1372 billion in servicing & installation revenue (labor). TV repairs & installation accounted for at least 75-80% of total, possibly much more.

The 1958 figures represent a drop from the $2.5192 million of 1957, interrupting steady upward progression. Decline was due to decrease in sales of replacement parts, antennas, etc. Rise is expected to resume this year.

Expenditures for servicing each year since 1950, as compiled by Frank Mansfield:

Year	*Parts (factory cost)*	*Distribution revenue*	*Servicing & installation*	*Total*
1950	$243,400,000	$160,600,000	$ 354,600,000	$ 758,600,000
1951	335,400,000	221,400,000	463,200,000	1,020,000,000
1952	432,600,000	285,500,000	565,000,000	1,283,100,000
1953	516,600,000	341,000,000	665,900,000	1,523,500,000
1954	574,500,000	379,200,000	794,300,000	1,748,000,000
1955	705,400,000	465,600,000	929,900,000	2,100,900,000
1956	810,900,000	535,200,000	1,002,800,000	2,348,900,000
1957	868,600,000	573,300,000	1,077,300,000	2,519,200,000
1958	818,400,000	540,100,000	1,137,200,000	2,495,700,000

* * * *

TV service expenditures should increase progressively year by year most observers believe, because of these 2 factors: (1) Increase in number of sets-in-use, particularly as result of trend to multi-set homes. (2) Increasing life-span of TV sets.

Average life of a TV set now is about 9 years, according to best estimates. In 1955, the figure was 7 years. In next decade—says Mansfield—average set will be 11 years old before it's discarded. (Vol. 15:10).

Nation's 140,000 TV service technicians loom large in future of TV—and set manufacturers are anxious to be on good terms with them. Relations & communications between set makers and independent servicemen often haven't been too good in past. Collectively through EIA and individually, manufacturers are seeking to remedy this.

Stress is being placed on ease of servicing in the design of most new TV models. Accessibility of tubes & parts is improving. Even the controversial printed-circuit boards are getting a thorough going-over for service ease, as set makers heed technicians' complaints. Manufacturers won't give up printed circuits —which they're convinced are more foolproof than conventional wiring—but they're adopting methods to make circuits easier to trace, components simpler to replace (see p. 18).

Furor over so-called "captive service" warranty policies of some manufacturers & distributors is beginning to die down, thanks largely to conferences between set makers and independent technicians' groups. Some manufacturers & distributors have modified their original all-inclusive warranty plans to give independent technicians a better crack at warranty servicing business.

TV-RADIO PRODUCTION: TV set production was 111,563 in week ended Apr. 3 vs. 94,378 in preceding week & 70,309 in same 1958 week, EIA reports. Year's 13th week brought production to 1,389,554 vs. 1,221,299 last year. Radio production was 263,316 (104,090 auto) vs. 259,070 (97,621 auto) in preceding week & 148,040 (41,698 auto) last year. For 13 weeks: 3,594,833 (1,364,028 auto) vs. 2,604,244 (853,035 auto).

PRODUCTION-SALES FIGURES: Official EIA statistics for the first 2 months of 1959 confirm our size-up last week of this year's first quarter (Vol. 15:14). They show TV set sales down—both on a monthly basis & cumulatively—from last year. Nevertheless, production for the first 2 months was some 53,000 less than sales—indicating manufacturers' caution. For February alone, however, production was about 11,000 higher than sales.

For January, EIA estimated manufacturers shipped only 370,650 TV sets—compared with 437,026 TV sets produced & 501,704 sold at retail during the same month. Here is the picture of TV set production & sales for the first 2 months of 1959 compared with the same 1958 period:

	1959		1958	
	Production	Sales	Production	Sales
January	437,026	501,704	433,983	581,486
February	459,492	448,173	437,026	448,727
TOTAL	896,518	949,877	804,396	1,030,213

Production of uhf-equipped TV sets totaled 34,678 in Feb. 1959, vs. 35,841 in Jan. & 34,048 in Feb. 1958.

* * * *

Radio sales were booming during the first 2 months of this year. EIA's recap of production & sales:

	1959			1958		
	Auto Radio Production	Total Radio Production	Sales (excl. auto)	Auto Radio Production	Total Radio Production	Sales (excl. auto)
January	420,052	1,124,737	700,490	249,679	1,026,527	534,640
February	432,551	1,125,385	474,888	268,445	876,891	420,065
TOTAL	852,603	2,250,122	1,175,378	618,124	1,739,177	839,942

* * * *

TV picture tube sales for February were sharply higher than last year—738,336 vs. 556,136. For the first 2 months of the year, the tally was 1,523,242 vs. 1,178,046. Receiving tube sales for the first 2 months were up to 64,305,000 vs. 56,466,000.

	Picture Tubes		Reciving Tubes	
	Units	Value	Units	Value
January	784,906	$15,209,896	31,150,000	$26,808,000
February	738,336	14,084,922	33,155,000	28,630,000
TOTAL	1,523,242	$29,294,818	64,305,000	$55,438,000

Sales of Olympic TV, radio & phonos in Feb. were 38% higher than Feb. 1958, and first-quarter sales should exceed the same 1958 period by 35%, according to Olympic pres. Morris Sobin. "There is every indication," he added, "that this trend will continue well into the 4th quarter." He said that TV production is being maintained at the Jan. rate for the first time in the company's history, and "present indications are that this level will continue through June."

U.S. State Dept. turned down a request by the Dutch Govt. to drop the anti-trust suit filed by the Justice Dept. against GE, Westinghouse & Dutch Philips (Vol. 14:48, 52, 15:3-5). The suit alleges that patent operations of the companies' Canadian subsidiaries constituted conspiracy to shut other U.S. firms out of the Canadian market.

Export of 50,000 Japanese transistors by Tokyo Shibaura Electric Co. (Toshiba) to U.S. through Motorola has been approved by Japan's Ministry of International Trade. Presumably they're for use in Motorola's forthcoming pocket transistor radio (Vol. 15:14).

Sylvania spring promotion is giveaway 48-page handbook of baseball facts & figures containing complete major & minor league schedules, to be available through TV-radio service dealers.

NEW COLOR TV SET? An entirely new color receiver system, the first to be seriously proposed since Philco's "Apple" design, has been developed by little Andromeda Inc., 3742 Howard Ave., Kensington, Md. Claimed for the system are improved quality on NTSC standards and a production price of at least 30% below present sets.

Guiding spirit behind Andromeda Inc., a 5-man research & development outfit, is pres. Arnold Lesti, former research director of ACF Industries' Avion div. and head of data processing there, onetime senior engineer at Bureau of Standards and ITT.

His system uses single-gun tube which emits 3 color beams, one-piece color tube with horizontal phosphor color strips. Andromeda has 4 patents on the system. Lesti describes "aided feedback correction of color registration" as the key principle of the system. His description:

"The one-piece single-gun color tube has 3 close beams which are independently modulated. Horizontal color phosphor strips on the screen make possible full resolution of picture detail. The green & red beams are modulated by a weak pilot carrier frequency of 10 mc which is on at all times and used in a non-critical manner. The phase of the pilot frequency on one beam is different from that applied to the other. The pilot frequency is so weak that no practical interference to the picture dark regions is produced.

"Feedback detection of the errors of registration is achieved by either phototube or secondary emission sensing and phase detection whenever the pilot frequency beams strike the blue phosphor or secondary emission surface over the blue strips."

Lesti says that his tests have proved the basic ideas sound. He has been using 3 specially built tubes from Thomas Electronics but now is looking for more complex tubes. He adds that his biggest problem is to get the kind of tubes he wants, and speculates that he'll have a set ready to demonstrate in about 6 months.

"The Fabulous Growth of Color TV" headlines full-page newspaper ads by RCA Philadelphia distributor Raymond Rosen & Co., marking 5th anniversary of color set production & noting the increase in color programming, equipped stations, etc. Stating that more than 30,000 people in the Delaware Valley now own color sets, the ad says area bankers generally offer easier terms on color than b&w sets. First Pennsylvania Co., it says, "in recent months has been financing 3-6 times as many color TV sets as in the same period during the previous year—and has yet to repossess a color-TV set because the owner was dissatisfied with its technical performance."

New cathode material, "cathode nickel N132," has been developed by RCA and will be used in the manufacture of more than 50 popular entertainment tubes. Proced by a special vacuum-melting process, the new nickel "substantially improves the overall quality & performance of electron tubes," RCA said.

Fifth annual meeting on electron devices has been scheduled by IRE for Oct. 29-30 at the Shoreham Hotel, Washington. William J. Pietenpol, Sylvania, is chairman of the general committee. John A. Hornbeck, Bell Labs, is technical program chairman.

New recommended standards for electronics industry now available from EIA engineering dept., 11 W. 42 St., N.Y. 36: RS-216, Standard Method of Test for Adhesion of Printed Wiring (50¢); RS-217, Wound Cut Cores (60¢).

Printed-Circuit Problems: Receivers with printed circuits are more reliable than the hand-wired variety, 8 out of 10 TV-radio manufacturers said in a survey conducted by the Institute of Printed Circuits. Nine of the 10 said they use printed circuits in their TV sets, all 10 use them in radios, 4 use them in hi fi. Eight of the 10 said that servicemen's complaints about printed circuits weren't warranted. The firms responding to the survey were Admiral, Emerson, GE, Magnavox, Motorola, Philco, RCA, Sylvania, Warwick, and Westinghouse. A survey answered by 1870 technicians, conducted by National Alliance of TV & Electronic Service Assns. (NATESA) gave these facts: (1) Of 90,660 service calls in one week, 471 were directly attributed to printed board failure. (2) About 84% said improper board mounting was the chief cause of trouble. (3) Technicians' complaints, in order of frequency of mention were poor accessibility, difficulty of pinpointing component failures, conductor lifting, board breakage. (4) Some 42% felt that printed-circuit boards have improved recently, and an equal percentage saw no improvement.

NATESA exec. dir. Frank Moch outlined these steps now being taken by manufacturers to ease printed-circuit servicing problems: Westinghouse, RCA, GE & Philco will print schematic diagram on the bottom of the boards; Motorola will code conductors for easy tracing. Sylvania will use a flexible board which virtually eliminates breakage; all companies have devised methods to prevent conductor lift.

Electronics industry ranks high in U.S. technical research programs detailed in a new report, *Technical Research Activities of Cooperative Associations*, by the Senate judiciary patents subcommittee headed by Sen. O'Mahoney (D-Wyo.). Listed among 50 "top-ranking corporations as to expenditures on technical research & development" are American Bosch Arma, AT&T, Avco, Collins Radio, GE, IBM, ITT, Motorola, RCA, Raytheon, Sylvania, Westinghouse. Copies of the report are available for 20 cents from the Govt. Printing Office, Washington 25, D.C.

Monopolistic injury to consumers needn't be shown in a private anti-trust suit for damages, the Supreme Court ruled last week. Reversing a decision by Circuit Court Judge Stanley N. Barnes, former Justice Dept. anti-trust chief, the Supreme Court reinstated triple damage claims by Klor's Inc., San Francisco appliance store, against its neighbor Broadway-Hale Inc. and 10 manufacturers, including RCA, GE, Zenith, Philco, Emerson. Klor's alleged the defendants conspired to withhold merchandise from it except on unfavorable terms. Judge Barnes dismissed the suit on grounds that hundreds of other stores in San Francisco sold the same goods and that Klor's hadn't shown that "the public is or conceivably may be injured" under the Sherman Act by the purported practices. But the Supreme Court held that the alleged conspiracy "is not to be tolerated merely because the victim is just one merchant whose business is so small that his destruction makes little difference to the economy."

"Play TV from your car battery"—for vacations, picnics, etc.—is the theme of the promotion for a new solid-state inverter which converts 6- or 12-volt DC to 115-volt DC. Containing no moving parts, it's made by Magnetic Amplifiers Inc., 632 Tinton Ave., N.Y. 55.

RCA Victor Records has signed an agreement for record pressing in Cuba. A new Cuban company, Discuba, has been formed under the leadership of longtime RCA distributor Jesus Humara.

Go stereo or face a decline in business, 5000 juke-box operators were warned April 7 by Abraham Schwartzman, exec. secy. of Institute of High Fidelity Manufacturers. Addressing Music Operators of America convention in Chicago, he predicted "the demand for stereo will be so overwhelming by 1960 that operators of non-stereo juke boxes will be competing in a marginal market." He estimated that 90% of the expected $300 million retail sales of component hi-fi units in 1959 will be stereo equipment. Nearly 500 45-rpm records will be available in stereo by the end of the year, as will 80% of all records," he said. He added: "Stereo juke boxes have been found to average a 25% increase in plays per location."

Trend to single-unit stereo phonos (Vol. 15:4) has been joined by RCA, which has added first such unit to its line—so that it now has both one- and 2-piece phonos. New single-unit item is Mark XIV 60-watt stereo phono with two 12-in. & two 5-in. speakers in separate systems at each end of the 44-in. cabinet. An auxiliary matching speaker cabinet can be added, in which case all 4 speakers in the master unit become left-channel speaker system. Three new portable and one table-model stereo phonos were also introduced.

Isotopic-powered radio was demonstrated by the Atomic Energy Commission at the Fifth Nuclear Congress in Cleveland last week. An improved version of the Snap-III unit displayed at the White House in Jan., the 4-lb. generator is only 4.75 in. in diameter, has a core holding ⅓ gram of polonium 210, can't wear out. In the Cleveland demonstration it powered an amateur radio transmitter & receiver, to which the FCC assigned special call letters W8NPC ("Nuclear Power Communication"). Operating on 29.06 mc, the station made 2-way contact with ham operators as far away as Albuquerque, reported reception by operators in Mexico, France, England.

First TV set using "safety tube"—safety glass bonded to picture tube (Vol. 14:30)—is the Fleetwood, built by Conrac for custom installations. Fleetwood uses Pittsburgh Plate Glass' "laminated safety tube" principle on its 21-in. sets, and its new receivers incorporating the tube were demonstrated by Pittsburgh at the recent IRE convention. Also shown at the IRE were 18- & 23-in. tubes with the Corning "contoured twin panel" safety glass. Some sets using this design will be shown in 1960 lines this spring.

G.E.'s 1955 portable TV, Ampex's 1954 portable tape recorder, Hallicrafters' 1946 SX-42 receiver, and Bell & Howell's 1955 TV & radio console are the 4 broadcasting products which make the list of "100 Best Designed Products" presented in April *Fortune*. The list is the consensus of 80 designers, architects and teachers who were polled by the Institute of Design, Illinois Institute of Technology. Other electronics names on the list: Edison Voicewriter, Bell Telephone's "500" telephone, IBM's RAMAC.

Automobile stereo systems using both RCA tape cartridges and AM-FM radio have been developed experimentally by Delco Radio, but the company has no production plans. Good results are said to have been obtained using speakers mounted on the dashboard & the rear seat deck.

Electronic Materials Conference joins this year with 1959 Electronic Components Conference scheduled at Benjamin Franklin Hotel, Philadelphia, May 6-8.

IUE Local 401 met with Westinghouse officials at Metuchen, N.J. on Friday for the 16th day of continuous negotiations, in a strike of 750 union workers that has halted production of the company's TV and radio line.

Trade Personals: Arthur L. B. Richardson, gen. counsel & secy., Sylvania Electric Products, elected v.p. Raymond R. Chapman named Sylvania plastics plant (Warren, Pa.) mgr.; Frederick G. Plett appointed mfg. superintendent, semiconductor plant, Hillsboro, N.H.; Allen B. Pitts, mfg. superintendent, TV picture tube mfg. plant, Seneca Falls, N.Y., placed in charge of Sylvania's "bonded shield" picture tube mfg. program, succeeded by Joseph D. Connors. Robtr G. Lynch named mgr. industrial equipment sales, based in N.Y. Robert A. Starek appointed entertainment sales mgr., midwest region; Craig D. Lataste, named eastern region sales mgr., Ciaran B. Kennedy, appointed industrial sales mgr. for Pacific region.

Robert McCarthy, ex-Zenith Radio Corp., named to new post of product mgr., Bell Sound div. of Thompson Ramo Wooldridge . . . Robert J. Clarkson appointed sales planning & service mgr., RCA custom record sales dept. . . . William W. Davis appointed TV-radio dept. mgr., Montgomery Ward, succeeding Clyde K. Huxtable . . . Thomas F. Horton, ex-Litton Industries, joins Washington office, Hoffman Labs . . . H. Lawrence Schmitt resigns as exec. secy., California State Electronics Association.

Jack Williams, former mgr. of adv. & sales promotion, RCA Victor TV div., named to same post in RCA Sales Corp., adding radio & Victrola products. R. E. Conley, former mgr. of adv. & sales promotion, RCA Victor Radio & Victrola div. reassigned to the corporate advertising staff . . . Raymond C. Horn promoted to mgr. of personnel at Somerville, N.J., RCA semiconductor & materials div.

Earl L. Nissen, formerly sales mgr., ex-Admiral International & Admiral Corp. Interamericana, Chicago, named consumer products sales mgr., Motorola international operations. Stuart F. Malcolm named staff asst. to dir. of international operations . . . O. Lee Ballengee, Midwest regional mgr., equipment sales, promoted to equipment sales mgr., receiving tubes, CBS-Hytron, succeeding Louis H. Niemann, named sales mgr., semi-conductor operations. Joe C. Harmony named general engineering dir.—receiving tubes, succeeding E. K. Wimpy (Vol. 15:14) . . . David H. Foster named gen. attorney, Collins Radio Co., succeeding Richard J. Flynn now finance dir., systems div. Robert W. Landee appointed research & development dir., Collins' Western div., airborne data communication . . . William S. Wheeler named military electronics div. v.p., Motorola. Rear Admiral John C. Parham, USN (ret.), named mgr., military div., headquartering in Washington.

Earl H. Blaik & James R. Kerr, Avco Corp. v.p.'s, elected directors . . . William Hyslop promoted to mgr. of Raytheon receiving tube plant, Quincy, Mass . . . Ross Yeiter appointed to new post of mktg. administration mgr., semiconductor operations, CBS-Hytron.

Distributor Notes: Motorola names Philadelphia Distributors Inc. (Arthur E. Hughes, pres.), replacing Elliott-Lewis . . . RCA distributorship in Rochester has been taken over by RCA Victor Distribution Corp., Buffalo, which purchased M. E. Silver Corp. . . . Hoffman Electronics Corp. appoints 3 South American distributors: A. Casal Varela Ltda., Montevideo, for receiver line; Casa Musical Ltda., San Jose, Costa Rica, for Trans-solar radio; and Compania "Diamantina B-H," Lima, for radio. Hassco Inc., Denver, for TV, stereo hi fi & radios.

Admiral Corp., Oklahoma City div., appoints Robert E. Lawyer, ex-Paul Davis Co., as manager, succeeding John Conger, named mgr., Admiral Corp. Denver div. . . . Hoffman appoints Cladco Distributors, Buffalo, N.Y. for consumer products in Western N.Y. & Northwestern Pa.

Electronics Personals: Dr. William H. Martin, ex-Bell Telephone Labs v.p., resigns as Army research & development dir. May 22 to undertake industrial consulting assignments . . . Richard H. Griebel named mfg. mgr., heavy equipment, in Raytheon's govt. equipment div., continuing as mgr. of N. Dighton, Mass. plant. Robert E. Sonnekson named mfg. mgr., light equipment unit. Reporting to div. chief Homer R. Oldfield Jr. will be Glenn R. Lord, light equipment asst. div. mgr. and W. Rogers Hamel, in a similar post for heavy equipment. Jesse L. Kiefer, ex-Artophone Corp., named to new post of commercial credit mgr. . . . William H. Westphal named v.p., Daystrom international operations. Lewis E. Minkel, ex-Mack Trucks Inc., appointed v.p., human relations; Robert Jerritt Jr., management services dir. becomes controller. Daniel P. Knowland Jr. named v.p., Heath Co. div., Benton Harbor, Mich., and Louis Arleson appointed v.p., & gen. mgr., Day strom Transicoil, Worcester, Pa. Walther H. Feldmann, pres., Worthington Corp., elected a Daystrom director . . . Brig. Gen. Joseph A. Bulger (U.S.A.F. Ret.) named dir. of plans & systems, countermeasures div., Sperry Gyroscope Co. . . . Douglas M. Fouquet promoted to p.r. & adv. mgr., general atomic div. of General Dynamics.

H. Rowan Gaither Jr., board chairman of Rand Corp., & Dr. Luis Alvarez, assoc. dir., U of California's Lawrence Radiation Lab, elected directors of United Electrodynamics Inc. . . . Dr. Don R. Scheuch, Stanford Research Institute weapons systems lab mgr., appointed asst. div. dir. for supervision of research in radio systems, electromagnetics, weapons systems & communication & propagation labs.

Anti-trust spotlight will be focused this year on corporate mergers in electronics fields, according to Asst. Attorney General Victor R. Hansen. "Newly emerging industries" will be watched for infractions of anti-merger Sec. 7 of the Clayton Act, the Justice Dept.'s anti-trust div. chief told a Fordham U law institute in N. Y., adding: "By this approach we hope to prevent in the incipient stage the development of industrial market structures which, if not inhibited by govt. action, would ultimately expand the concentrated sectors of our economy." Hansen said that special attention now to "such new & growing industries of tomorrow as chemicals, plastics & electronics" will be insurance against the "pattern of concentration which today plagues autos & steel."

"World Advertising Man of The Year" is the honor bestowed on Sies W. Numann by the International Advertising Assn. He supervises a \$40-million ad and p.r. budget for Philips of Eindhoven, world-distributing Dutch electronics complex. Numann worked in the U.S. for Paul Block & Assocs., newspaper reps, and GM Export Corp. before returning to the Netherlands in 1928. The IAA meets in Vienna May 14-16.

Philco has received military contracts worth more than \$32 million in the last 2 weeks. Last week it was awarded an Air Force \$18,715,141 pact for modernization of Aircom, the worldwide long-range air communication system. The preceding week, Philco won a \$13.5 million Navy prime contract for Sidewinder air-to-air homing missiles.

Pocket clock-radio was introduced recently by Roland Radio Corp., div. of Herold Radio & Electronics, Mt. Vernon, N.Y. "Transiclock" has 7 transistors, plays 200 hours on 4 penlight batteries. The price of the unit has not yet been set.

Motorola enters instrumentation field with a battery-operated transistorized AC voltmeter at \$165.

Financial

A merger of 3 Philips companies in the U.S. with Central Public Utility Corp., a large St. Louis holding company about 40% owned by a Dutch syndicate, is under negotiation—and could result in the establishment of a large & well-heeled diversified electronics combine. The electronics companies involved are Consolidated Electronics, Philips Industries Inc. and Philips Electronics Inc. The 3 companies are virtually independent from their giant Dutch parent, N. V. Philips' Gloeilampenfabrieken, of Eindhoven. North American Philips, which owns 35.5% of the stock of Consolidated and 64.2% of Philips Electronics, is not directly involved in the merger talks. Combined 1958 sales of Consolidated and Philips Electronics totaled more than $50 million last year. Central Public Utility has interests in fuel oil, ice and bus services in several southern cities and operates public utilities in Puerto Rico, the Canary Islands, Philippines & Haiti.

Precon Electronics Corp., N.Y. firm organized in Feb. to develop patents taken over from Photographic Analysis Inc., North Hollywood, has asked the SEC (File 2-14951) to register 175,000 shares of 75¢ par common stock for public sale at $5 per share. The offering would be made through Charles Plohn & Co. and Netherlands Securities Co. Inc., N.Y. Precon said devices in electronic, photographic, and electro-mechanical fields are "ready to be tooled up for production."

Loral Electronics Corp., N.Y. producer of military equipment, has filed SEC registration (File 2-14934) for public sale of 250,000 common stock shares through an underwriting group headed by Kidder, Peabody & Co. and Model, Roland & Stone. Proceeds would be applied to general funds to increase inventories & enlarge facilities.

Jerrold Electronics will report record sales & earnings for the year ended Feb. 28, it is understood. Its net earnings are expected to approximate $350,000 or about 35¢ a share, vs. $105,281 (12¢) in the preceding fiscal year. Sales were in the range of $7,500,000 vs. $6,055,647.

Westinghouse has filed statements (Files 2-14942 & 2-14943) with SEC for registration of 1,400,000 common stock shares—400,000 to be offered under its employes stock plan, 1,000,000 under its restricted stock option plans for officers & executives.

Admiral's first-quarter sales were up 15% over the $38,418,799 reported for first-quarter 1958, pres. Ross Siragusa said last week. He added that "resumption of a dividend will be considered, provided the earnings improvement continues."

Philco will spend about $40 million this year for research, engineering & development, as opposed to $35 million in 1958, pres. James M. Skinner Jr. told stockholders.

Varian Assoc. will declare a 100% stock dividend if stockholders approve an increase in authorized shares to 10 million from 2 million, pres. H. Myrl Stearns announced.

Standard Coil Products Co.'s new turret tuner is tradenamed "Guided Grid." We identified it erroneously in last week's digest of Standard Coil's financial report.

RKO Teleradio's 5 TV & 7 radio stations had a profit of more than $4.5 million on gross operating income of $25,763,489, according to parent General Tire & Rubber's annual report. The RKO Teleradio div. actually operated at a loss, however, because of the costs of liquidating RKO's theatrical film operation.

International Resistance was profitable during the 10 weeks ended March 8—as opposed to a loss during the same 1958 period—v.p.-treas. Edward A. Stevens said last week. For all of 1959, he predicted sales of around $16 million, up 10-15% from 1958. Last year, 22% of the company's sales were to the TV-radio industry, 62% to other industries & military, 14% to replacement markets, 2% export. For 10 weeks ended March 8:

	1959	1958
Sales	$3,529,000	$2,199,000
Net earnings (loss in 1958)	360,898	(148,900)
Earned per share	26¢	—

Muter Co., manufacturer of components & loudspeakers, reports a decline in net income & sales for 1958. At the end of 1958, its working capital had increased to $3,793,277 from $3,595,061 at the end of 1957. For the year ended Dec. 31:

	1958	1957
Net sales	$11,636,381	$14,301,067
Net income	356,105	377,819
Earned per share	45¢	50¢
Shares outstanding	800,313	762,729

Erie Resistor Corp. reports reduced, but "satisfactory," earnings for 1958. Earnings improved during the last half, and current shipments are running ahead of last year at this time, states pres. G. Richard Fryling. For year ended Dec. 31:

	1958	1957
Net sales	$21,202,186	$24,737,643
Net income	510,441	542,811
Earned per share	57¢	68¢

Globe-Union Inc. reports increased profit in 1958 on lower sales. Its report for 12 months ended Dec. 31:

	1958	1957
Net sales	$59,246,085	$65,036,285
Net income	1,466,621	1,339,282
Earned per share	1.78	1.62

Common Stock Dividends

Corporation	*Amt.*	*Payable*	*Stk. of record*
EMI Ltd. (Britain)	$0.04	Apr. 24	Apr. 16
Storer Bcstg.	.45	Jun. 15	May 29
Storer Bcstg. Cl. B	.06	Jun. 15	May 29
Warner Bros.	.30	Jun. 5	May 20

Educational Television

Boston's Films: Boston educators are ready with 3 pilot films of classroom lessons to demonstrate how educational TV can be raised above the level of mere "lectures on film." With Fund-for-Advancement-of-Education backing, the lessons have been elaborately produced, and are the forerunners of 100 lessons on the humanities, for distribution to other secondary school systems & abroad. Encyclopedia Britannica Films will distribute color and b&w prints.

They will be shown over WGBH-TV (Ch. 2) in an inaugural run April 27-May 14. Clifton Fadiman and Yale professors Maynard Mack & Bernard M. W. Knox are featured. A highlight will be 90 minutes of dramatic performance, filmed in Toronto, of the Stratford Shakespearean Festival Company.

One N.Y. TV station will go non-commercial by 1964, predicted John F. White in Chicago last week. The pres. of the National Educational TV & Radio Center said that uhf—there is a channel now assigned to N.Y. Metropolitan Educational TV—would not satisfy the need. One of the existing vhf stations will be acquired, he indicated.

A final decision granting Ch. 8, Waycross, Ga. to the Georgia state board of education was issued by the FCC last week. Way was cleared for the grant by the dropout of competitor John H. Phipps (Vol. 15:8).

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SUMMARY-INDEX OF WEEK'S NEWS

VHF DROP-INS & SET-CONTROL LAW IN THE WORKS: In what is probably the most important breakthrough in TV allocations in years, the FCC definitely has decided to cut vhf milages on "limited" and "interim" basis to serve "critical" markets—while continuing to negotiate with Defense Dept. for more vhf TV channels. Thus, trend reported (Vol. 15:15) is now a fact, Commission having voted 5-2 for the foregoing last week—and sending to Senate Commerce Committee a statement embodying its decision.

Nothing has been announced publicly yet, but Commission is aiming to start official proceedings next week to put its decision into effect. In the voting, Comr. Bartley concurred in part put expressed concern lest uhf be bypassed, while Comr. Lee still insisted that TV should go all-uhf.

Reasoning goes like this: If we get more vhf channels or if we go to all-uhf, either course would take many years—and we need relief now. If we end up with same vhf & uhf channels we have now, we'll still need relief. And if we wind up with just Ch. 2-13, there's no alternative to mileage cuts.

Another very important aspect of Commision's plans is a request that Congress forbid interstate shipment of sets which can't receive all channels allocated—vhf & uhf or vhf & new vhf (Vol. 15:11). Here's the Commission's logic on that: If we add new channels or if we go all-uhf, stations on those channels will face the old problem of "nobody can receives us." But if we require all-channel sets to be built, the gradual replacement over the years will create a waiting audience for new-channel stations.

Proponents of that idea believe it's an indispensable tool to any new-channel allocation plan.

Though manufacturers have always shuddered at any talk of govt. set control, which isn't new by any means, FCC proponents believe Congress will go for it and competition will put it across. Furthermore, they say, manufacturers will come out even, passing cost of extra circuitry along to public and shrugging off complaints with: "Blame Congress. It's the law."

One of biggest problems in a "limited" drop-in concept is how to keep it limited. Where do you cut off? What are "critical" or "major" markets? The FCC thinking is that one big rule-making should be proposed by Commission, letting everyone come in & make his pitch. Then, final decision would be made—and the door slammed shut. No case-by-case whittling away at mileages. In addition, anyone granted a drop-in channel would have condition in his license specifying that he can be shifted summarily to new-vhf or uhf channel—if FCC so decides; this would be designed to avoid protracted hearings & litigation.

Meanwhile, though FCC is totally cold on the allocations philosophy of Bureau of Standards' Kenneth Norton—cut all co-channel spacings to 100 miles or less (Vol. 15:14-15)—one veteran of the allocations wars, CBS v.p. William B. Lodge, got his dander up and told Norton off (see p. 6).

BUSINESS GROUP BACKS ATLANTIC TV RELAY: Substantial financial backers have been found for a privately-owned wideband North Atlantic common carrier which would link U.S. & Canada to Europe for exchanges of live TV programs as well as auxiliary military & civilian communications.

Preliminary engineering studies have been completed by Page Communications Engineers, subsidiary of Northrop Corp. Project has been discussed with U.S. & European govts. which are affected. Its start is now understood to hinge on Canadian Govt. approval of an application for construction now on file.

Idea of island-hopping North Atlantic TV-communications relay isn't new—it was first proposed in 1946 by William S. Halstead (now head of Unitel International), who is scheduled to participate in the proposed project. It is controversial—extremely controversial—and there are many in TV industry who seriously doubt its value. For example, here's how engineering chief of one network looks at it:

"Sure, it can be done—but why? It will cost a phenomenal amount of money, and just about the time it's finished, space satellites may be available for transatlantic TV. And besides, how much TV use would be made of this relay? The time differential between here & Europe makes much live TV exchange impractical. We can do almost as well right now by making tapes, putting them on jet planes for live-quality foreign TV with very little time lag.

"Look at the Florida-to-Cuba TV relay—It's available now, and very little use is being made of it. Besides, the military is building its own world-wide communications system—so it could hardly be expected to place much business with a privately-owned one. If this is such a hot idea, how come the established common carriers aren't rushing into it?"

Brushing aside these objections, a syndicate of as yet unidentified U.S. & Canadian businessmen—said to be well-known, financially able and with TV connections—are convinced that project can easily pay its own freight. TV might be relatively minor user of the facilities, however—it certainly couldn't support the costly relay. As supplement to cable, backers expect it to be valuable for military communications, telephone & teletype—with 8-10 island relay stations doubling as weather outposts & aircraft beacons.

Project would probably cost somewhere in neighborhood of $50 million—give or take plenty more millions in either direction. It could be completed, according to Page engineers, within about 5 years, and involves techniques well within capabilities of present engineering knowhow & equipment.

Prospective backers say they have received assurances from Pentagon that U.S. military would be a prime & heavy user of the communications service. Canadian Govt. is reported to be extremely interested, and those involved in negotiations say its go-ahead may come within month or so. On receipt of approval, backers plan to incorporate (probably in Canada) and seek some public financing.

Represented at January meeting in Ottawa, to discuss project with govt. officials there, were Page engineers, and equipment makers GE, Varian Assoc. (which makes high-powered klystron transmitting tubes), General Dynamics (atomic power plants), D. S. Kennedy & Co. (maker of big tropo-scatter antennas) in addition to British Air Vice Marshal Frank Lang and the project's financial backers and planners (who are represented by Toronto attorney Glen Wilton). For details and list of attendees, see p. 8.

Technical study of project's possibilities was headed by Page's asst. engineering dir. Edwin Dyke, working with Page v.p. Herbert H. Schenck. It concluded that not more than 10 microwave hops would be necessary from continent to continent. Relay system would jump off North American continent on Baffin Island, with stations in Greenland, Iceland and the Faeroe Islands, and European terminals on coast of Scotland. At Canadian & European ends, system would be extended to nearest TV cities and connected to existing microwave routes.

Longest hop on route would be about 300 miles—Iceland's east coast to Faeroes—according to Dyke. System would carry a 1-mc channel and accommodate both east-to-west and west-to-east traffic. TV signal would be compressed from 4 to 1 mc using digital coding techniques such as developed & demonstrated by Technicolor Corp. and Bell Labs (Vol. 15:14).

Microwave relays would use ultra-reliable tropospheric scatter techniques—bending signal in troposphere to achieve over-horizon distances—now proven in scores of military & civilian installations. Page engineers, leading non-manufacturing company in tropo-scatter field, says no radically new techniques or equipment are needed. "You can get 200 miles with only a few hundred watts, 300 miles with a few thousand," says Dyke. "The antennas have to be mounted only about 150 feet off the ground, and size is no limitation."

Relay stations would be manned, and possibly powered by atomic energy—"we expect the technique to be well on the way by the time we get that far," Dyke explains.

As to alternative methods of throwing live TV picture across Atlantic, Page engineers give this size-up: Satellites—still far off, many problems, too expensive, too much power required for passive ones. Cable—not enough bandwidth; 10-30 parallel cables would be needed for good TV picture. Submarine waveguide—"the ideal method 50 or so years from now." Microwave relay-equipped aircraft—"good idea for a one-shot (somebody will probably try it within a year or 2), but not practical for everyday use."

Whether or not this long-dreamed-of relay ever reaches construction stage, it's far closer to reality than ever before, and you'll be hearing plenty more about it—pro & con—in next few months.

SENATE VOTES MULTI-MILLION ETV AID: As expected, $51 million bill by Chairman Magnuson (D-Wash.) of Senate Commerce Committee for federal grants to states for educational TV equipment (Vol. 15:9) sailed through Senate last week, once it was called up for vote. Precedent-setting measure then was sent along to House.

Eisenhower Administration tried to block Senate passage, sending in Minority Leader Dirksen (R-Ill.) & Sen. Williams (R-Del.) to object that Magnuson measure was too costly and wasn't needed anyway. But with bipartisan backing from Sens. Schoeppel (R-Kan.) & Cotton (R-N.H.), Magnuson easily won voice vote from handful of Senators who stayed on floor to hear debate.

ETV bill will have slower & tougher going in House, where Commerce Committee Chairman Harris (D-Ark.) has displayed nowhere near the enthusiasm on subject his Senate counterpart has demonstrated. Harris has put no priority tag on ETV this session—and it will take lighting of some House fires by ETV advocates to stir some action on that side.

Most optimistic forecast on House outlook we've heard came from Rep. Roberts (D-Ala.). He pushed similar Magnuson bill through Commerce Committee last year, saw it die in adjournment rush (Vol. 14:33), and put in his own bill this session (Vol. 15:4). "I'd say that the chances are good this year," Roberts told us. "I don't think last year's opposition will develop again, and I believe we'll win a majority of the Committee." But so far he lacks any assurance from Harris that ETV hearings will even be scheduled.

HOLLYWOOD'S ABOUT-FACE COMPLETED: Hollywood movie studios, which only a few years ago considered TV their deadly enemy, have by now completely reversed themselves. After a "bloodless revolution," every major studio is today competing vigorously for TV film business—in production and rentals.

Independent TV film producers once feared that when the major studios came into TV film, they would swallow up the independents. Exactly opposite is happening—Desilu buys RKO's 2 studios, MCA buys Universal-International for its Revue Productions, Republic converts itself wholly into rentable studios for TV producers. With movie industry withering except for a few big boxoffice attractions, TV's importance as a source of revenue vs. studio overhead becomes even more pointed. As result, there's far more activity in TV at the movie majors today than in movie production—as shown in roundup on p. 14.

HYDE RENOMINATED, LOOKS LIKE SHOO-IN: Almost a birthday present for FCC Comr. Rosel H. Hyde, who was born in Downey, Ida. on April 12, 1900, was President Eisenhower's action last week—renominating him for another full 7-year term following June 30 expiration of his current term.

Republican Hyde, extremely popular, highly respected by just about everyone, should have no trouble obtaining Senate confirmation. The veteran attorney has had 34 years federal service, has been in radio regulation ever since first days of Federal Radio Commission in the 1920's. He's been a Commissioner since 1946—came all the way through ranks, from clerkship to general counselship.

CAPITULATION ON VHF BOOSTERS: FCC gave in last week and said it stands ready to legitimatize unauthorized vhf boosters—if Congress will perform the proper marriage ceremonies and if miscreant booster operators will clean up and make themselves presentable.

Commission asked Congress to pass 2 laws: (1) Excusing booster operators for having built without permission—amending Sec. 319(b) of Communications Act. (2) Eliminating need for boosters to have operators in attendance—amending Sec. 318. Rep. Harris (D-Ark.) promptly introduced FCC's suggested amendments in HR-6471.

If these laws are passed, FCC said, it will allow boosters to operate under following conditions:

(1) None to use Ch. 4 or 5, because of possible interference with aerial fan markers using 75 mc.

(2) Transmission on a channel other than that which is received—thus becoming "translators" rather than on-channel boosters.

(3) Power not over 1 watt.

(4) Facilities for on & off remote control.

(5) Designation of someone to make periodic checks "and other related functions."

(6) "The selection of transmitting frequency, appropriate minimum mileage separation from co-channel transmitters of regular TV broadcast stations (still to be determined) and such other operating conditions as may be needed to insure reasonable protection to regular broadcast & nonbroadcast services."

(7) Must have permission of stations whose signals they translate.

Commission offered no more specific technical details. These will have to be worked out.

Problem is now squarely in lap of Congress, which had forced the FCC action. There's little doubt that new law is required to excuse the unauthorized construction, but some lawyers question the need for amendment to waive the operator requirement.

Will Congress hop to it now and legislate? You'd certainly expect it to, in light of the vigor of senatorial complaint. Will proposed legislation draw opposition from community antenna operators—the people who might fear economic competition from the vhf translator signals? Says E. Stratford Smith, gen. counsel of National Community TV Assn.:

"If the Commission makes the boosters conform to rules & standards which prevent interference, as it says it will, we could scarcely oppose it."

Some telecasters are a bit fearful, worried lest boosters cut their service areas and/or bring out-of-town stations' signals into their backyards.

Congress could let whole business slide again, of course, because FCC isn't likely to knock anyone off air (unless they're causing severe interference) while Congress is "considering" legislation. For the present, FCC is extending from June 30 to Sept. 30 the grace period for booster operations.

Militating somewhat against future years of inaction, however, is attitude of Defense Dept. & FAA—which are increasingly uneasy over potential interference to air navigation.

Contributing to FCC's decision last week was fact that its labs had finished testing sample translators furnished by Mid-America Relay System Inc. and Benco TV Assoc. Ltd. (Vol. 15:10)—and apparently is satisfied that they're safe. FCC sources say that manufacturers claim they can be built to sell for "under $1000" or "under $500"—they're not sure which.

Wistfully, FCC still touted its uhf translator service, even while capitulating on vhf boosters. Its announcement stated: "Uhf translators offer several distinct advantages, both as to the limitation of interference and as to the range of useful service of good grade." It's thinking about fact that uhf translators have 100-watt ceiling vs. vhf's 1 watt, plus almost unlimited co-channel & adjacent-channel elbow room.

STATIONS LOSE, CATV WINS, IN FCC RULING: FCC's decision in CATV-station battle, now that it's announced in 42-page document, turns out upon analysis to be substantial victory for CATV, defeat for small-town stations—rather than curb on CATV (Vol. 15:15).

Legislation requested by FCC would seem at first blush to be attempt to hold CATV in check where it might compete with regular stations. But it's scarcely that. FCC asks Congress to pass laws requiring CATV: (1) to get originating stations' permission to distribute their signals and (2) to carry local stations' signals "without degradation."

From practical standpoint, if laws are enacted, it isn't expected CATV systems will have much trouble getting stations' permission—for stations like the added coverage. As for carrying local stations' signals, most CATV systems do or can, with little strain.

Language of FCC's decision makes it clear that Commission doesn't want to regulate CATV and isn't asking Congress for authority to do so. Furthermore, and this is quite important, Commission doesn't intend to arbitrate the economics of CATV-station competition. It recognizes that courts insist that hearings must be given to stations which protest that competition may run them out of business—thus hurting public. But Commission's entire history on this point shows that it won't keep signals out of a town because of fears of an existing station operator. This goes for all kinds of operations—regular stations, boosters, uhf translators, etc. In fact, in last week's CATV decision, FCC affirmed its previous ruling authorizing 2 uhf translators in Lewiston, Ida., against the opposition of KLEW-TV (Ch. 3) there. Said the Commission:

"It is basically the public which must determine the question, as in all broadcasting and free-enterprise businesses . . . Our position is that we do not now know of circumstances which would justify our limiting or prohibiting the operation of satellites or translators, or of CATV systems."

Another facet of CATV's victory before FCC was latter's assertion that freeze of grants of microwaves for CATV systems is over, and grants have been resumed. Said Commission: "it is neither proper, pertinent nor necessary for us to consider the specific lawful use which the common carrier subscriber may make of the facilities of the carrier. To take a different view would place the Commission in the anomalous position of acting as a censor over public communication, and put us under the burden of policing, not only the use of such facilities but the content of communications transmitted on the facilities. The logical extension of such philosophy would require us to deny communications facilities of any kind (message telephone, telegraph, etc.) to CATV's and, for example, to deny access to facilities to those acting contrary to our concept of the public welfare. The adjudication of these matters is beyond our province."

Thus, for umpteenth time, FCC has reiterated a "hands-off-CATV" position. Presumably, if small-town stations are to get relief, it will have to come directly from Congress. Actually, though, CATV operators would like to be licensed by FCC, to exorcise once and for all the spectre of local & state regulation. They believe Commission would give them a fair shake.

The FCC decision is titled Public Notice 59-292, mimeo 71489, in Docket 12443—copies available from Commission, or our Washington office will get you one.

Congress

USIA NEEDS MORE TV: "In our opinion USIA is not in TV now"—and it needs more than 3 times its present $660,000 TV budget to make a real start—the agency's Broadcast Advisory Committee told Congress in an appendix to the 14th report of the U.S. Advisory Commission on Information (Vol. 15:15).

Headed by ex-NBC & ABC counsel Joseph A. McDonald, Washington communications lawyer, the Advisory Committee said that USIA "has attempted to take some advantage of TV in the areas where it has been well developed [but] badly needs to establish & protect a franchise" in countries where the medium is in "early stages."

The Administration requested about $1.2 million for the USIA's TV service overseas in fiscal 1960—up about $555,000 from its current appropriation (Vol. 15:4). But the broadcast advisors recommended a TV budget of at least $2.75 million—$1.5 million to acquire "timeless program milestones that have made TV great," $500,000 to develop original U.S. program material and $500,000 for productions overseas, $250,000 "for personnel to implement this plan."

The plan for stepped-up TV activity would include: (1) Evaluation of the importance of TV in the agency's overall activities in order to provide an independent determination of policy." (2) "Sustained support of the TV activity in such tempo" that "long-range planned growth instead of a feast or famine existence" would be effected.

Approving USIA's separation of its radio & TV functions last year into 2 services, with ex-NBC International pres. Romney Wheeler taking charge of a new International TV Service (Vol. 14:40), the advisors said "a whole new reevaluation of TV as an instrument of the agency" is needed now.

The FCC

FCC WANTS SOME CHANGES: Accustomed to being the target of legislative reforms on Capitol Hill, the FCC last week sent Congress a batch of recommendations for amendments to the Communications Act which the Commission itself would like to have. Among them:

(1) Dispensing with McFarland letters now provided in Sec. 309(b). The letters were intended to permit station applicants to correct deficiencies in applications and avoid hearings. But the FCC said they've become "the largest single contributing factor" in building up its huge backlog of AM applications.

(2) Amending Sec. 5(c) to give the FCC's review staff more latitude in assisting the Commission with advice on interlocutory matters and preparing legal & factual analyses in adjudicatory cases. Comr. Ford said the section should be repealed entirely. Comr. Bartley said the recommendation didn't go far enough.

(3) Adding Sec. 508 to title V to provide $100 fines for violations of rules by radio stations in non-broadcast services.

(4) Revising Sec. 202(b) to broaden FCC jurisdiction over common-carrier charges & services to include microwave and other point-to-point radio circuits in addition to wires for chain broadcasting—facilities which weren't perfected when act was passed in 1934.

'Ridiculous Case of Mr. Daly': Congressional support for legislation exempting newscasts from application of political equal time requirements of the Federal Communications Act (Vol. 15:8-15) developed in several new quarters last week. Rep. Rogers (D-Tex.), a House Commerce Committee member, added his own bill (HR-6326) to those already proposed in the House & Senate to exclude news programs from Sec. 315, reversing FCC's ruling in the Chicago Lar Daly case. Rep. Broyhill (R-Va.) called his colleagues' attention to an editorial ("The Ridiculous Case of Mr. Daly") in the *Virginian-Pilot* of Norfolk & Portsmouth denouncing the FCC edict. Similar editorials in the *Chicago American* and *Peoria Journal-Star* were inserted with approval in the *Congressional Record* by Reps. Derwinski (R-Ill.) & Michel (R-Ill.).

FCC was upheld last week by the Court of Appeals in the much-litigated Shreveport Ch. 12 (KSLA-TV) case (Vol. 14:17), in which the Commission's 1955 award to the Shreveport TV Co. (Don George estate) was contested in & out of court by KRMD & KCIJ. The Court of Appeals said it was "unable to say that there was no substantial basis for the Commission's findings" that KSLA-TV was the superior applicant, despite the death of important principal Don George. It added, however, that an operating license given to KSLA-TV in 1957 should have noted that the case was under review. The court suggested that "any similar future order contain the condition that it shall be void if the construction permit is ultimately denied."

Law practice before the FCC and other federal administrative agencies would be open to all members of the bar of federal courts and of any state's highest court under an eligibility measure (S-1567) introduced by Sen. Keating (R-N.Y.). Co-sponsors include Sens. Bridges (R-N.H.) & Hruska (R-Neb.).

LODGE VS. NORTON: Scarcely anyone in the FCC or industry takes seriously the allocations philosophy of Bureau of Standards' propagation specialist Kenneth Norton (p. 1), but Wm. B. Lodge, CBS v.p. in charge of affiliate relations & engineering, just couldn't stand still for some of Norton's remarks.

Analyzing Norton's letter to FCC (Vol. 15:14-15), Lodge wrote to him, with copy to FCC Chairman Doerfer, concluding that Norton had 4 theses:

"(1) That TASO should have advanced a specific allocation plan,

"(2) That the TASO report is in error in several technical details,

"(3) That the motives of industry engineers are subject to criticism, and that these allegedly sinister motives are responsible for supposed past FCC allocation errors; and

"(4) That you have & propose a superior allocation philosophy."

Lodge took these up one-by-one, stating:

(1) TASO never intended to suggest an allocation plan to FCC—and this was clearly understood from the outset by everyone, including the Commission. In fact, said Lodge, FCC presiding officers at TASO meetings directed discussions away from non-technical matters "with the admonition that the FCC did not expect TASO to make recommendations on allocation or assignment plans."

(2) In TASO's technical work, "(a) There have been honest differences of opinion among members of the panels and committees, (b) In some of these differences the majority of the members have been in disagreement with a [Bureau of Standards' central radio propagation lab] representative, (c) There may be some other method of resolving these differences than by majority opinion, but you have suggested no substitute, (d) I know of no instances in which the TASO decisions were biased by the 'selfish interests' of industry engineers, (e) Several of the detailed decisions of TASO, about which you are concerned, are still under consideration, and (f) Technical studies frequently have to be 'sawed off' somewhere short of perfection to meet deadlines and to stay within budgets."

(3) "It is my personal opinion that the industry engineers have just as much integrity & ability as your associates. I happen to believe, also, that your allocation proposal—co-channel separations of 100 miles or less—would seriously degrade TV service to the American public. But I would not imply that your recommendation involves professional dishonesty or a desire to achieve some selfish aim. Anyone with engineering training respects the value of a theoretical approach. But it seems improper for a physicist with no business experience to impugn the motives of engineers who take into account practical considerations which could hardly have received proper attention in your theoretical analysis."

(4) "In making a specific recommendation that the Commission adopt a minimum co-channel spacing of 100 miles or less, you may have attempted to take into consideration such matters as program availability, cost of station operation, economic support, and the Communications Act requirement that broadcast facilities be assigned equitably among the several states & communities . . . It does not seem unfair to question your expertness in matters involving the economic support & programming of TV stations.

"Inadequate knowledge of economics & programs, as well as some unanticipated practical problems in uhf reception, led advocates of vhf-uhf intermixture to expect uhf stations to compete successfully with vhf stations. These advocates confused circles drawn on a map with actual service to the public. We now know that hundreds of theoretical circles supposedly representing uhf service to the public never eventualized into actual service. Others existed for a few years and then stopped. Your current proposal could suffer the same deficiency: Increased interference will reduce existing service areas, but how can you be sure that theoretical replacement circles will actually be built in the areas losing service—or, if built, will carry equivalent programming?"

Regarding rural coverage: "If I interpret it correctly, your reasoning runs as follows: (1) Rural areas already receive poorer TV service than metropolitan areas, (2) More people live in metropolitan areas than in rural areas, and (3) Therefore, loss of rural service should be ignored so that still more stations can be built in the more populous areas." This is an erroneous conclusion, said Lodge, because "it discriminates against the rural population of this country, and it indicates ignorance as to the extent of TV viewing at 50-to-100 mile distances from the nearest station."

Lodge noted Norton's conclusion that a reduction of 170 to 120 miles would double the potential number of stations on the channel and would decrease the grade C service per channel by only 6.5%, and then said: "For some reason you do not add the obvious corollary—that this also means cutting the service area per station to less than half."

"With that in mind," Lodge continued, "did you take into account (a) The fact that TV stations in this country are not govt. operated but are supported by income or advertising, (b) The extent to which advertisers would place programs on the reduced-coverage stations, and (c) How this might affect the stations' survival, their hours of operation, and the type of programs carried? Similarily, if service areas are reduced, how many TV services and what kind of programming would be available for the more distant TV viewer who now has the same choice of programs as the city dweller? (For example, a viewer in Bridgeport, Conn., 55 miles from N.Y., now may choose from the same 7 program services that are available to a resident of N.Y. city. What would the Bridgeport resident have under your proposal?) Did you consider the fact that, with close-spaced stations, interference ratios will be increased because of congestion in offset-carrier assignments? And did you take into account the fact that establishment of one of your close-spaced stations could deprive an area of 2 existing services? (For example, a new station on Ch. 3 in Ogden, Utah, would substantially obliterate reception in that city of KUTV & KTVT Salt Lake City, on Ch. 2 & 4)."

"Communications in an expanding economy" was the title of an address delivered by FCC Comr. Rosel H. Hyde April 14, before the Brigham Young U college of business, in Provo. He summarized the growth of the use of radio by railroads, taxis, utilities, farming, aircraft, power & petroleum, common carriers, etc.—and touched on the uses of closed-circuit TV.

Revised list of type-accepted AM & FM transmitters and monitors acceptable as of Feb. 10, was announced by FCC last week. The list, which includes FM equipment accepted for multiplex operation, is not available for general distribution, but copies may be inspected at FCC headquarters & field offices.

THRICE-TOLD TESTIMONY: The Miami Ch. 10 conspiracy trial of ex-FCC Comr. Richard A. Mack and his lawyer-friend Thurman A. Whiteside (Vol. 15:15) lumbered along last week, producing little evidence that hadn't been heard once before in House hearings on the FCC's award to National Airlines' WPST-TV—and again in the Commission's own rehearing.

It was the second week of the case before Federal District Court Judge Burnita S. Matthews in Washington. It was the first in which opposing batteries of govt. & defense attorneys got down to the jury business of building a trial record with witnesses—and the end of the marathon construction job was nowhere near in sight.

FCC General Counsel John L. Fitzgerald alone spent 2½ dull days on the stand under examination & cross-examination on transcripts of Commission proceedings in the long, bitter contest by 4 applicants for Ch. 10. The record droned by Fitzgerald stretched back to Dec. 21, 1955, when the legal staff was instructed to prepare a report looking toward a grant to National Airlines' Public Service TV Inc.

Showing that Mack was in the 4-3 FCC majority for National Airlines, govt. prosecutor J. Frank Cunningham tried to build groundwork under charges that Mack & Whiteside plotted to deliver the award. Mack's chief counsel Nicholas J. Chase tried to tear it down by showing that the grant would have gone the same way without Mack's vote—and that Mack even joined once in 1957 in a 7-0 FCC vote to reconsider.

Other early-phase witnesses included: (1) National Airlines pres. George T. Baker, who denied once more that he ever authorized anybody to offer any bribes to Mack for his support. (2) Dade County (Fla.) Circuit Court Judge Robert H. Anderson, who told again about pre-bench moves he made to get Whiteside to represent National Airlines. (3) Paul H. Scott, Anderson's former law partner, who recounted how Whiteside agreed to be helpful to National Airlines but wouldn't take a fee. (4) Mrs. Frances Kreeger, Mack's personal secretary during his term, who was called on to run through a 4-volume log of Mack's telephone calls, especially those to Whiteside.

And these prolonged preliminary proceedings in court seemed to be just a starter for more this week. If the defense has its way in the third week, the courtroom will be piled high with papers shoveled from files of the House Commerce legislative oversight subcommittee—each of them subject to study & restudy.

House Clerk Ralph Roberts was served with defense subpoenas calling on him to come into court April 20. He was asked to bring along more than 100 reports, memos, pieces of congressional correspondence and other exhibits (including the transcript of a "bugged" interview by oversight investigators with Mack) featured in last year's House hearings which forced Mack's resignation from the FCC. Under House rules, Roberts can't comply completely with the subpoenas until Judge Matthews rules on "the materiality and the relevancy of the papers & documents called for"—and that should take up much time.

Meanwhile the FCC and special hearing officer Judge Horace Stern were bending over backwards to make sure they'll do nothing to produce new publicity on Ch. 10 and other "influence" cases which might affect the Mack-Whiteside trial.

The FCC has put off Miami Ch. 10 oral arguments. Judge Stern postponed indefinitely the April 20 deadline for filing briefs in the Boston Ch. 5 case.

Networks

More about

NORTH ATLANTIC TV RELAY: Top-level U.S. & Canadian officials have been sounded out on the proposed Canada-to-Europe tropo-scatter TV-communications relay (see p. 2), and reactions, according to the project's backers, have generally been favorable. Canadian Dept. of Transport has yet to act on the group's application for construction.

Although Canadian officials at first had expressed some doubt as to the feasibility of the project, Deputy Prime Minister Howard C. Green was quoted by Maj. Gen. Frank E. Stoner (ret.), former Asst. Chief Signal Officer who is now asst. to pres. of Varian Assoc., as "intensely interested in the [plan] and . . . sure it would get high-level support."

The report was made at a closed seminar Jan. 26 at Chateau Laurier, Ottawa, at which technical & other aspects of the proposed project—which still goes under the code name NARCOM—were discussed with Canadian officials. The meeting was chaired by British Air Vice Marshal Frank Lang (ret.), 40-year veteran in the communications field and self-termed "catalyst" of Canadian & American interests "in stimulating thoughts about NARCOM."

He explained that informal discussions had been held with "communication & financial people in Great Britain, in Denmark (because of Greenland & the Faeroes) and Iceland," as well as with NATO in Paris. "They indicated positive interest in the plan, and in 2 of the countries large financial investment potentials were indicated."

Next step was a series of meetings in Washington, largely arranged by Gen. Stoner. Discussions were held with "the staff director of the President's Advisory Committee on Scientific Organization, the Chief Signal Officer, the Director of Telecommunications of the Office of the Asst. Secy. of Defense, the Chief of Naval Research, the heads of the U.S. Air Force's electronics branches, the chief engineer of the U.S. Information Service." General reactions "showed a keen interest in the plan, and indicated that a fairly high level of traffic from some of these agencies could be expected."

Marshal Lang said that the initiative "must be taken by Canadians. The majority of directors, of management & administrative personnel must be Canadian, and, as presently projected, one-third of the system at the western terminus would doubtlessly be constructed, operated and maintained by Canadian industry & technicians."

* * *

The remainder of the meeting was devoted largely to technical discussions at which representatives of Page Communications Engineers and various equipment companies discussed feasibility of the project with known techniques & equipment.

One interesting aspect was a talk by Dr. Park H. Miller Jr., head of General Atomics' experimental physics group of General Dynamics atomic research center at San Diego. He explained GD's Triga reactor as a potential power source at remote relay stations. By slight redesign, he stated, Triga can develop a thermal power output of 10,000 kw and can be easily operated by relatively unskilled personnel.

Canadian officials present at the meeting: Navy: Comdr. D. C. Rutherford, Director of Naval Communications. Comdr. J. E. Rous, asst. electrical engineer-in-chief (electronics). Lt. Cmdr. E. M. Byrnes, head of communications engineering section. Army: Lt. Col. D. W. Kells, head of electronic & electrical div. Lt. Col. A. J. Loutit and others representing Signal Corps officials. Air Force: Dr. J. C. Arnell, scientific advisor to Chief of Air Staff. Defense Research Board—Dr. J. H. Meet, deputy dir. of physical research (electronics), A. O. Sandoz, asst. chief of Defense Research Telecommunications Establishment, and others.

Other Canadian interests represented: Telecommunications branch, Dept. of Transport; Bell Telephone Co. of Canada; Fleet Mfg. Ltd.; Varian Assoc. of Canada. Financial interests were represented by attorneys Glen M. Wilton & George Beaumont.

Discussing various aspects of the project, in addition to Marshal Lang & Gen. Stoner, were: Wm. S. Halstead, pres., Unitel International Inc., N.Y.; Herbert H. Schenck, Edwin Dyke & William Collins, Page Communications Engineers, Washington; Winn Wagner, chief of propagation div., Varian Assoc.; C. F. Merrigan, head of scatter & special equipment, GE technical products div.; Samuel Morse, GE military & industrial products div.; John Pickering, chief of communications, Canadian GE; Charles Creaser, v.p., D. S. Kennedy & Co., Cohasset, Mass.

CBS Won't Join NSRC: Still apparently troubled by anti-network winds blowing in Washington, CBS definitely has decided not to join the EIA-sponsored National Stereo Radio Committee (NSRC). It thus has indicated that it doesn't consider FCC's official blessing and EIA's legal interpretation (Vol. 15:12, 14-15) sufficient assurance that participation in the all-industry stereo broadcasting technical group constitutes sure-fire insulation from possible anti-trust charges.

RCA, which formerly was an NSRC member but backed out for the same reason, hasn't yet indicated whether it will rejoin on the basis of the new reassurances from FCC & EIA.

On another stereo front, meanwhile, the FCC granted permission to WABC N.Y. to test the Philco AM stereo system until July 15, using the experimental call letters KE2XZZ. Philco's compatible system uses a combination of AM & phase modulation on a single broadcast-band channel to produce a stereo effect (Vol. 49:13).

WFDS-FM Baltimore also received FCC permission to test single-channel stereo until July 15.

Network program "tie-in" investigation, which starts May 4 (Vol. 15:15), will begin with network witnesses, FCC presiding officer James D. Cunningham stated last week, and he ordered that their testimony "be concerned with the identification, authentication and explanation of certain exhibits, documents and other relevant papers."

NBC-TV had a busy Friday last week denying a story in April 17 issue of *Printers' Ink* which rumored a shake-up in the network's top TV brass before fall, with Robert Kintner, pres. and Robert Lewine, program v.p. who now reports to ex-Y&R program chief David Levy at NBC, due to resign. "Absolutely untrue," one NBC spokesman told us. "These rumors occur every spring." *Printers' Ink* stuck by its story. The rumors persist.

NBC, CBC and the TV & radio stations of Triangle Publications, Inc., were the recipients last week of the National Safety Council 1958 Public Interest Awards in the network category. Station awards went to 35 TV stations & 145 radio stations.

Programming

How to Reduce Production Risk: Independent packagers can make more sales by studying the marketing objectives of TV advertisers. The trick is to tailor shows to fit the needs of the sponsors, says George Gruskin, former William Morris TV executive and now a consultant who advises producers on the creation & marketing of independent TV properties.

Case history: Gruskin was approached recently by Guild, Bascom & Bonfigli (S.F.). One of their accounts, Ralston Purina, had just had a stormy session with ABC-TV, which wanted to move another film show into Ralston's *Bold Journey* slot after that show's cycle was to expire. GB&B needed another show—quick. The hitch was that Ralston wanted a show that had the same "feel," and the same opportunities for public service & scholarship campaigns as *Bold Journey*, a series of semi-pro travelogues.

Gruskin called Jerry Stagg, a producer he represents, who, after studying the Ralston operation, came up with a show that Ralston bought at first look—*High Road With John Gunther*, a half-hour location film series. Due to debut this summer, it is "the *Bold Journey* formula on a more professional level, plus a heavyweight international name," says Gruskin. "It fits the Ralston promotions like a glove."

Production, as we all know, is still risky business, even when the odds are in your favor with a strong property, adds the consultant. "It may cost you $50-$80,000 today to make a pilot which you're likely to sell for $45,000 weekly. In the normal pattern, you won't break even until the show is in the repeat season, and you probably won't make a profit until the middle of the second year. Your real payoff comes later in syndication."

As an example, he cites *My Little Margie*, which brought "only $10,000 per episode for the first 117 episodes." Meanwhile a new series with Gale Storm was evolved, and sold to Nestle, while the old moved into syndication. In the second season, the over-all break-even point was reached. In the third year, sale of rerun rights by Official Films of the first series produced a profit to the producer of—$1 million.

Gruskin is currently readying several new program properties: *Little America*, an Andre Martin co-production starring Ann Sheridan as the wife of an American official in Germany; *Space Port*, a science-fiction series co-produced by Curt Siodmak; *Tosti & Son*, a semi-musical starring Frankie Laine & Salvatore Baccaloni.

TV-radio-press hassle over coverage of Cuban leader Fidel Castro's appearance before the American Society of Newspaper Editors in Washington last week was resolved by a last-minute compromise. Citing standing-room-only conditions in the Hotel Statler's Presidential ballroom for Castro's speech, the ASNE first decreed that no TV equipment would be permitted—and that radio coverage would be limited to a one-microphone pool. "Arbitrary suppression of freedom of access," protested the Radio & TV Correspondents Assn. "At odds with the traditional stand of those in the news business," said the Radio-TV News Directors Assn. NAB pres. Harold E. Fellows said he was "shocked & bewildered." The storm subsided after ASNE press relations chairman Alfred Friendly, managing editor of the *Washington Post*, worked out a deal with TV & radio networks for films & recordings for rebroadcasts. Note: As part of its coverage, CBS-TV thought it had lined up Castro for *Face the Nation* April 19. But the Cuban Embassy said he couldn't make it.

GOP Drops TV Plan: Proposals by ex-Republican national chairman Meade Alcorn for a series of GOP-sponsored TV shows, including one in which President Eisenhower would act as political "answer man" (Vol. 15:2), have been shelved. The TV venture would be too costly, a special subcommittee reported to the national committee. "And that pretty well puts it to rest for the time being," a GOP spokesman told us last week. Subcommittee members Richard F. Cooper of N.H., Mrs. Henry Swan II of Colo. and Tom Judd of Utah explored costs of the projected series ($60,000 for 30 min. of prime evening network time, production costs "almost out of this world"). They concluded: "TV would appear to be far beyond our reach at the present time." But Cooper had a counter-proposal. He thought the national committee might look into possibilities of buying radio spots "phased in with popular music."

Or better yet: "If every disc jockey were a zealous Republican, the battle would be more than half won."

TV film censorship by the Kan. Board of Review is provided under general terms of the state's 1917 Motion Picture Censorship Act, according to an advisory ruling by Kan. Attorney General John Anderson Jr. The question was raised by county attorney Bob Duncan of Atchison, who wanted to know if films exhibited by Kan. State College & Kan. U as well as by TV stations should be submitted first to the board for approval. Anderson said it will take court decisions to clarify "very broad & somewhat ambiguous" terms of the pre-TV law, but that as it stands, the legislation covers all public showings of films.

Nominations for Emmy awards were announced last week in 42 national categories by the National Academy of TV Arts & Sciences. Secret balloting of members will select winners in time for the May 6 award ceremony, to be sponsored over NBC by Procter & Gamble, and Benrus Watch. Of 197 nominees, CBS leads with 88½, followed closely by NBC with 84½, and ABC last with 24. The 198th nomination (in engineering) is shared equally by the 3 networks.

Tax on TV props: The Internal Revenue Service has decided (Rev. Rul. 59-111) that retailers who lease taxable articles for use as props on TV shows must collect regular excise charges on them—even if the articles are returned when the programs are over. The ruling points out that the Internal Revenue Code defines a lease as a sale for excise tax purposes, and "length of time for which the articles are leased or rented is considered immaterial."

Space-age TV previews were scheduled by General Motors for a 5-6 p.m. April 19 show on NBC-TV from the World Congress of Flight at Las Vegas. Planned shots included the Atlas satellite launcher whose nose capsule may put the first human in orbit around the earth, and the rocket-powered X-15 which is expected to put the first American into near-orbit at a height of 100 miles, and pilot's-eye views from jet planes.

Virginia Tiu, 5, was barred from *The Perry Como Show* (NBC) by the Society for Prevention of Cruelty to Children. The tiny Chinese girl from Chicago, a piano prodigy, was tentatively scheduled for April 18, but SPCC thought her too young.

First Canadian newscaster has been admitted to the parliamentary press gallery in Ottawa, restricted until now to representatives of daily newspapers & news services. He is Sam G. Ross, correspondent for 10 western Canadian radio stations.

Stations

INDUSTRY INFORMATION PROGRAM: "Unanimous agreement so far on plans & recommendations" was reported last week by C. Wrede Petersmeyer, Corinthian Stations pres., chairman of the TV Information Committee formed during last month's NAB convention to counteract the wave of criticism—particularly the attacks from other media (Vol. 15:12).

The next meeting will be in N.Y. April 20, another April 29, then recommendations will be submitted to the NAB board April 30. No firm budget has been devised to date, but the talk still centers around a $1 million-a-year figure. The networks are expected to bear a substantial portion of the costs—perhaps $150,000-$250,000 each.

"Money is the least important matter. How good will the program be? That's the question. If it's good, the money will come—because it must come."

Meanwhile, CBS did a public information job of its own last week—placing full-page ads in N.Y. & Washington newspapers, stating among other things: "Every night . . . during the average minute, 61 million people are watching their TV screens, and this number grows larger every year . . . It would seem only too clear that the American people give more of their attention to TV than any other medium of communication simply because TV gives them so much more of what they want. And because they find so much of what they want, in such even balance, at a single point on the dial, they turn their attention most often to the CBS Television Network." And CBS's WCBS-TV N.Y. put out a handsome brochure touting its public affairs programs—*Chaucer, Chopin, and the People's Choice.*

Conelrad test April 17 looked good to FCC Defense Comr. Robert E. Lee—though he expects it will take a couple of months to evaluate it completely. Said he: "Nationally, I think we're going to show up well, coveragewise. There was probably better coverage than in normal broadcasting. The purpose of the test was not so much technical—because that can be done at night—as to get the public to use Conelrad in an emergency." The test was part of "Operation Alert 1959," the 6th annual nationwide civil defense training exercise. The material broadcast explained what the Govt. and individuals will do and can do in the event of an attack. It included a message from Leo A. Hoegh, director of the Office of Civil & Defense Mobilization, who exhorted listeners to prepare themselves in every way possible. All TV, FM & AM stations—except the approximately 1200 AM stations participating in Conelrad on 640 & 1240 kc—left the air 11:30-noon EST. The test came during an interim stage of Conelrad—a substantial change in engineering, details classified.

Tributes to radio by 55 members of Senate & House representing 35 states have been collected by the NAB to promote National Radio Month in May. Among them: Chairman Magnuson (D-Wash.) of the Senate Commerce Committee: "The constant, potent voice of radio soothes & informs—but always serves." House Minority Leader Martin (R-Mass.): "It supplies the news of the world promptly & succinctly." Rep. Boggs (D-La.): "Radio certainly has played a most important role in our national life and is continuing to do so."

More from Moore: Speaking on "TV's critical decade," Richard Moore, pres. KTTV, Los Angeles, last week told the Western meeting of the Assn. of National Advertisers at Santa Barbara, Calif., that the coming decade would decide whether the selling power of TV shall be allowed to make its full contribution to the success of American marketing or whether its marketing strength will be sapped by anti-advertising influences.

Reviewing anti-advertising activity, Moore pointed to attacks on commercials in publications, in legislative & administrative areas, and to a bill pending in Calif. which would prohibit the broadcasting of commercials of more than 2 minutes and would ban broadcast of more than one commercial in a 10-min. period. Moore asserted that the acceptability of advertising should be judged by whether it is entertaining or informative or both.

The KTTV chief termed the non-sponsored telecast of the movie industry's annual Oscar awards a "sad economic waste." He opined that it carried no advertising—not even for movies—& said this reflected an attitude within the Academy that advertising would "taint" the program. "The sustaining look of the Academy broadcast was a setback for commercial TV & for the cause of marketing. Think of the news & information that could have been given to 29,000,000 homes about American goods & services," he added.

TV-radio publicity is "childish," with the broadcasting industry "generally 15 years behind business in the areas of professional public relations, planning and execution," charged Mike Santangelo, p.r. dir. of Westinghouse Bcstg. Co. last week at a WBC program managers meeting in Atlantic City. "You can't wish away criticism & attacks," he stated. "Unbelievable as it may seem, broadcasting, the mass communications medium, has yet to create an image of recognition. Executives appear in the public eye as a cross between a Brooks Bros. mannequin and a circus barker." Urged the WBC chief tub-thumper: "Reject the novice, and pay for first rate p.r. talent."

Pres. Lawrence H. Rogers II (WSAZ-TV & WSAZ Huntington-Charleston, W.Va.), faced with continual national publicity about unemployment in the coal-mine areas, which he feels is reacting ambiguously against "the highly-prosperous areas of Huntington, Charleston and the Ohio Valley," has been doing on-the-air editorials personally, and making business-club speeches to help correct the problem by advocating constructive tax policies & attitudes. Rogers is frequently before his own cameras as the editorial voice of the station.

TvB's local-level TV sales clinics are scheduled to start May 5 in a tour that will touch 16 cities in 6 weeks with all-day sessions. Aimed at bringing "new sales techniques & heavy competitive selling ammunition" to local broadcasters, the clinics will cover such topics as new-audience data, anti-TV campaigns by print media, co-op advertising budgets and successful sales campaigns of TvB member stations. Target cities range from Winston-Salem to Salt Lake City.

KTTV (Ch. 11) Los Angeles plans a series of 12 local monthly "specials" varying in length from one to 3 hours. The package, sponsored by Riviera Mfg. Co., will include old movies, video tape and live material. It tees off this week with a one-hour show titled "The Dictators," filmed at Ciudad Trujillo by Paul Coates, and featuring exclusive interviews with Juan Peron & Fulgencio Batista.

CBC board of directors plans the following to improve its northern radio service: (1) Addition of CFWH Whitehorse to the CBC Trans-Canada Network. (2) New transmitters for CFYT Dawson City & CFGB Goose Bay. (3) Direct off-air pickups from CBX Lacombe, Alta. for CFYK Yellowknife. (4) Replacement of Aklavik station with new facility at Inuvik. (5) Establishment of low-power transmitter at Fort Smith. (6) Take-over & operation of the Hay River station. (7) Approval for take-over of Fort Churchill station. (8) Applications for new low-power relay transmitters at Fort Nelson, B.C. & Watson Lake in the Yukon. (9) Consideration of numerous requests for French language service in Toronto. The board also previewed film of new Royal Canadian Mounted Police TV series scheduled for premiere over CBC & BBC in the fall. Board's next meeting will be in Toronto June 22-24.

Shift of WVEC-TV (Ch. 15) Norfolk to Ch. 13 was recommended by FCC examiner J. D. Bond in an initial decision which followed an agreement by WVEC-TV's 2 competitors for Ch. 13 to dismiss their applications. WTOV-TV (Ch. 27) 50% stockholder Temus R. Bright will get $150,000 consultancy fee from WVEC-TV and the other 50% WTOV-TV stockholder Louis H. Peterson will get 10% of WVEC-TV stock. The third applicant, Virginian TV Corp., will get 10% of WVEC-TV. The merger had been fought by WAVY (Ch. 10) Portsmouth-Norfolk.

KBLR-TV (Ch. 10) Goodland Kan. has been bought for $5000 plus assumption of $400,000 liabilities from 100% owner James Blair by a group headed by pres.-gen. mgr. Leslie E. Whittemore. In a separate deal, the same group is buying radio KBLR for $145,000 plus assumption of $25,000 in liabilities. The group includes Colorado businessmen W. L. Vanderjagt, Raymond Roark, Donald Tolland, Gordon Tolland, Eddie Jones, Casey Van Gerderan.

Price of $50,000 is being paid to CBS for WXIX (Ch. 18) Milwaukee by Gene Posner & associates (Vol. 15:14), according to application filed with FCC last week. Posner, owner of WMIL Milwaukee, and his wife will own 51% and appliance dealer bros. Harold & Bernard Sampson 20% each. Balance (9%) is being bought by realtor Herbert S. Wilk. New owners plan to resume operation of stations as soon as the transfer is approved.

KOMO-TV (Ch. 4) Seattle's 2/3 owner, Fisher's Blend Station Inc., has bought the remaining 1/3 for $1,833,333 from Theodore Gamble (30%) and C. Howard Lane (3.33%), principals of KOIN-TV (Ch. 6) Portland. Said W. W. Warren, KOMO-TV exec. v.p.-gen. mgr.: "We thought it was a good investment—and we bought it."

Leaving broadcast media entirely, *Philadelphia Evening Bulletin's* WCAU Inc., which sold its WCAU-TV (Ch. 10) & WCAU Philadelphia to CBS last July (Vol. 13:51 et seq.), last week sold its 50% interest in WDAU-TV (Ch. 22) Scranton to the Megargee family, which owns the other 50%, for $700,000.

"Interim" allocations solution for Fresno area, urged last week by KJEO (Ch. 47) would assign Ch. 2, 5, 7 & 9 to Fresno, Ch. 8, 10 & 12 to Bakersfield—deleting Ch. 5 from Goldfield, Nev., Ch. 9 from Tonopah, Nev. KJEO seeks a change to Ch. 2.

Translator starts: K73AP, K77AO & K83AJ Quincy, Wash. began April 4 repeating KREM-TV, KXLY-TV & KHQ-TV Spokane.

CP for Ch. 71 translator in Newport, Ore. has been granted to Paul Kafoury.

SMPTE Agenda: These papers on TV & related subjects are scheduled for the May 3-8 semiannual SMPTE convention at Miami Beach's Fontainebleau Hotel:

Audio-Visual Communications—A Comparison of Learning Resulting from Motion-Picture Projector and from Closed-Circuit TV Presentations, by J. F. McGrane, American Machine & Foundry Co., & Morton L. Baron, U.S. Army Signal Equipment Support Agency.

Closed-Circuit TV in School & Community: the Chelsea Experiment, Lawrence Creshkoff, Chelsea Closed-Circuit TV Project, N.Y.

Implications of *Continental Classroom* for Open-Circuit TV Teaching, Edwin P. Adkins, American Assn. of Colleges for Teacher Education.

TV Recording—Progress Report on Video Tape Standardization, A. H. Lind, RCA. Transient Response Considerations in Video Tape Recording, Roger Hibbard & Harold Walsh, Ampex Corp.

Extension of Bandwidth in Video Tape Recording, Charles P. Ginsburg, Ampex Corp.

The Mixed Blessings of the Video Tape Recorder, Sidney V. Stadig, Westinghouse Bcstg. Co.

Methods of Recording Color TV on Magnetic Tape, Charles E. Anderson, Ampex.

Operational Conveniences in the RCA TRT-1A TV Tape Recorder, A. H. Lind, RCA.

New Horizons for TV Tape, Ross H. Snyder, Ampex.

A Mobile Video Tape Recorder, J. Byrne Hull & H. G. Hummel, Ampex Corp.

TV Facilities—A Program-by-Program Billing System for Pay TV, K. A. Simons, Jerrold.

The Performance of TV Camera Lenses, Gordon Henry Cook, Taylor, Taylor & Hobson (England).

Gamma-Radiation-Insensitive TV Camera Lenses, John D. Hayes, Bausch & Lomb.

New Approach to Balanced Audio Levels in TV, Robert B. Monroe, CBS-TV.

Improving the Performance of TV Intercommunication Systems, A. Pierce Evans Jr., CBS-TV.

CBS Self-Normalling Video Jack, Charles J. Neenan, CBS-TV.

Russian TV Today—Color & Monochrome, J. R. Popkin-Clurman, Telechrome.

TV Film Techniques—Standardized Gray-Scale Characteristic for Vidicon Telecine, L. J. Murch, CBC.

Density & Exposure Control for TV Films, Harold Wright, CBC.

Constant-Density Lab Process for TV Film, Rodger J. Ross, CBC.

MPO Infrared Matte Process, Zoli Vidor, MPO TV Films.

Technique of the Visual Squeeze, Robert Bergmann, Transfilm.

Production Techniques of an Effective TV Newsfilm Public Relations Program, Howard Back, Chrysler Corp.

Studio Lighting & Practices—Rigging for TV Studios, Ralph H. Schneeloch Jr., Inter American Equipment Corp.

Significant Developments in Studio Lighting Layouts, Rollo Gillespie Williams, Century Lighting.

Silicon-Controlled Rectifier Dimmer, Herbert R. More, Kliegl Bros., & Albert W. Malang, ABC.

New Horizons, Paul F. Wittlig, CBS-TV.

Proud of its closed-circuit missile maintenance training system which was shown off to Pentagon brass in Feb. (Vol. 15:9), the Army last week entertained National Press Club members at a luncheon with a similar show from the Army Ordnance Guided Missile School at Redstone Arsenal, Huntsville, Ala., 750 miles away. The 40-min. live show was specially written, produced and directed for the Press Club showing by 40 civilian TV professionals provided by the TelePrompTer Corp. which handles the training system under Army contract. The crew included writer Bob Corcoran, technical dir. Cliff Paul and producer-director Maurey Penn, all former members of NBC's defunct *Wide Wide World.* Five mobile units and 17 cameras were used.

Multilingual TV system—designed for cities where more than one language is spoken—has been developed by William Halstead's Multiplex Development Corp., with consulting engineer Ellis D'Arcy of Gary, Ind. The system can accommodate as many as 4 multiplexed sound carriers on a single TV channel. A 3-tube decoder, which Halstead says can be made to sell for about $10, is designed to be attached to the TV set to select the language to be heard. Halstead suggests that this technique may vastly increase audiences in cities such as Quebec, N. Y., Paris or Tokyo, where several languages are used. He says he will ask the FCC for authorization to test the system, which can also be used for TV stereocasts (by using 2 channels simultaneously).

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Personals: William H. Trevarthen, ex-ABC (Vol. 15:7), named NBC TV network operations dir., effective April 27 . . . We regret the erroneous announcement made in Vol. 15:14 that **Robert H. Van Roo** was named v.p. & gen. mgr., WTCN-TV & WTCN Minneapolis-St. Paul. He was appointed promotion mgr. by **Phil Hoffman**, who is v.p. & gen. mgr.

James G. Hergen promoted from dir. of participating program sales to dir., NBC Telesales in chg. all commercial tape prod. & closed-circuit telecasts. **William F. Storke** replaces Hergen.

Paul E. Mills, ex-Westinghouse Bcstg. Co. midwest TV sales mgr., appointed managing dir. of Storer's Radio WJW Cleveland . . . **George H. Wilson** named merchandising & promotion dir., WSTV-TV & WSTV, Steubenville, Ohio . . . **Robert Doty** promoted from program mgr. to local sales mgr. of WTVT Tampa, succeeding **Don Menard**, now national sales mgr. . . . **Charles E. Hinds Jr.**, ex-WXIX Milwaukee, named program director of WBBM-TV Chicago . . . **Cabot Lyford** ex-educational WGBH-TV Boston, named program mgr. of upcoming WENH (Ch. 11, educational) Durham, N.H., due on air later in spring.

Frank Stanton, CBS Inc. pres., and Mrs. Stanton left April 16 for vacation in Japan, will return May 4 . . . **William T. Armstrong** appointed national co-ordinator of information services, CBC, effective May 4 . . . **Ralph W. Smith**, ex-McCann Erickson, named gen. asst. to pres. **Fernando Eleta**, RPC Radio Network, Panama, now preparing to establish commercial TV station . . . **Charles C. Hoffman** resigns as exec. v.p., Bureau of Broadcast Measurement, Toronto audience research firm.

M. S. (Bud) Rukeyser Jr. appointed business & trade publicity mgr., NBC, succeeding **Joseph A. Ryan**, who joins WBZ-TV Boston . . . **Thomas F. O'Neil**, RKO-Teleradio Pictures chairman and retiring chairman of Brand Names Foundation, named an honorary life director of foundation. **John H. Breck Jr.**, exec. v.p. of John H. Breck Inc., Springfield, Mass., succeeds O'Neil as BNF chairman . . . **Paul E. Mills** managing dir. of Storer's radio WJW Cleveland . . . **Lamont L. (Tommy) Thompson**, ex-CBS-TV Spot Sales, named Midwest mgr. of Westinghouse Broadcasting's TvAR, headquartering in Chicago.

Alan May elected v.p. & treas., NTA. Other NTA executive appointments: **Lester Krugman**, adv. & p.r. v.p.; **Samuel P. Norton**, v.p. in charge of legal & business affairs; **David J. Melamed**, administration v.p.; **George K. Gould**, v.p. in charge of TV broadcast facilities (continuing as pres., NTA's Telestudios); **Burton I. Lippman**, asst. treas. & asst. secy. (remaining as controller). **Robert Brunton**, ex-NBC, named operations dir., WNTA-TV's N.Y. studios.

Simon B. Siegel, financial v.p. & treas., American Bcstg.-Paramount Theatres and ABC, elected to the AB-PT exec. committee. **Martin Brown**, ex-Price Waterhouse, named asst. treas., AB-PT and v.p. & Asst. treas., ABC. **Arthur Harvey** promoted to ABC labor relations dir. for the Western div., effective May 1 . . . **Lindsey Spight**, former Pacific Coast mgr. & co-founder of John Blair & Co., elected pres., Television-Communications Inc., closed circuit TV producers. **Joseph B. Durra** named v.p.

Arthur M. Tolchin elected v.p., Loew's Theatres. He will continue as v.p. of WMGM & board member of WMGM Broadcasting Corp. . . . **Itsuo Araki**, former MGM gen. sales mgr. in Japan, appointed gen. sales mgr., Allied Artists of Japan Inc. . . . **Joseph F. Greene**, ex-ABC Films, appointed Eastern sales mgr., Roy Rogers Syndication Inc., headquartering in N.Y.

Max Bice, mgr. of KTNT Tacoma, also placed in charge of KTNT-TV. **Del Spencer** promoted to program dir., **Dick Engh**, chief engineer.

Donald N. Martin, NAB public relations chief since Nov. 1956, resigns June 19 to form a public relations firm with partners (to be identified later) in N.Y. & Los Angeles. His successor hasn't been named. NAB pres. Harold E. Fellows stated: "Greater strides have been made in telling the positive story of broadcasting in the 2½ years that Mr. Martin has been in charge of NAB's public relations than any comparable period in my experience as a broadcaster—and this achievement has been realized with a comparatively modest appropriation & within the framework of NAB policies established by the board of directors."

Names of **Harris & Mack** were in the Washington news again last week—but the stories had nothing to do with the House legislative oversight subcommittee or Miami Ch. 10. Carolyn Marie Harris, daughter of chairman Harris (D-Ark.) was queen of Washington's annual Cherry Blossom Festival, selected by lot for the honor. Her escort, detailed for the duty by the Defense Dept., was Air Force 2nd Lt. Donald Mack—no relative of ex-FCC Comr. Richard Mack.

Robert A. Bicks, 31-year-old Justice Dept. anti-trust no. 2 man, became acting asst. Attorney General in charge of the anti-trust div. last week, filling in for resigned Victor R. Hansen (Vol. 15:15). Bicks' designation by Attorney General Wm. P. Rogers to replace Hansen on an interim basis gave him a leg-up on the regular appointment, but assistant Attorney General George Cochran Doub, head of the civil div., also was reported a leading possibility for the anti-trust post.

Broadcast Advertising Club of Chicago announced last week its first grants from a new scholarship fund started this year, to 3 Northwestern U students, majoring in TV & radio.

John Blair & Co., and affiliates Blair-TV & Blair Television Assoc. station reps, will move to the Corning Glass Bldg., 717 Fifth Ave., N. Y., about June 1.

Obituary

Charles Ray Hall, 60, Screen Gems production mgr., died April 14 in St. Petersburg, Fla. of a heart attack.

Advertising

ARBITRON REPULSED IN CHICAGO: Bloodied but apparently unbowed by a setback to his Arbitron rating system in Chicago—where all 4 commercial stations refused to become regular customers after a one-month free trial—American Research Bureau dir. James W. Seiler said last week he's sure the instantaneous service will win out ultimately.

The ARB dropped its Arbitron station operation in Chicago and cancelled plans to move next into Los Angeles, where electronic recording installations already were set up. This left 5 of 7 N.Y. stations as the only subscribers to the long-heralded new system which was launched last Sept. (Vol. 14:36, 38).

"We though we'd never have a better chance than in Chicago," Seiler told us. "And I still feel very strongly that Arbitron will be *the* service there. As it is, we're just cancelling it out for now and sitting back to see what happens. We're sure that advertisers & agencies will come around to our side and demand that stations give them the accurate information which Arbitron provides."

The trouble with Arbitron, Seiler maintained, is that its sampling of TV homes (154 units in Chicago) gives stations a too-true picture of sets actually in use at any given time. Competing rating systems based on diaries, etc., provide higher sets-in-use figures which are useful to the stations in justifying nighttime rates, he said.

Nobody in Chicago challenged the accuracy of Arbitron sets-in-use records or questioned proposed charges of $1500 per month for daily service (vs. $375 for ARB diary reports), according to Seiler. But he said the 4 stations—ABC's WBKB, CBS' WBBM-TV, NBC's WNBQ, The *Chicago Tribune*'s WGN-TV—were unwilling to pick up the tabs for a service which deflated long-accepted sets-in-use figures.

"But it's not quite as desperate a situation for Arbitron as it's made to seem in some trade press reports," Seiler said. "It's working fine in N.Y. In fact, it's doing wonderfully well there. And we don't think the advertisers & agencies are going to keep on just taking figures which the stations want to give them." Holdout N.Y. stations are NBC's WRCA-TV & CBS' WCBS-TV.

Seiler said that meanwhile the ARB will continue to use its Chicago Arbitron system for data for its multi-city rating reports—and has no intention of ripping out its Los Angeles installations.

Brewers thumpingly endorsed TV in 1958, increasing their reliance on both spot & network video, even as they pulled back in newspapers, magazines and outdoor, according to TvB. The increase of the beer-makers TV expenditures was 6% over 1957, the bureau found. At the same time, investment in outdoor by brewers declined 2%, and in magazines, 19%. The newspaper report (for national linage with local still to be computed) shows a 21% beer-dollar drop. The disposition of brewers' money in 1958 brought media these amounts: spot & network TV—$46.1 million; newspapers (national)—$13.9; magazines—$5.3 million; outdoor—$25.2 million.

TelePrompTer Corp. disputes the contention of a West Coast closed-circuit TV production company which claims to have issued the first closed-circuit rate card (Vol. 15:13). And TelePrompTer offers pretty good proof—enclosing a copy of its Rate Card No. 2, dated July 1958, outlining rates for intra-city, regional and coast-to-coast networking.

Ratings Defended: Rating services presented their case last week in Los Angeles and pointed out that no such service is supposed to be a complete substitute for judgment. The occasion was a panel discussion under the auspices of the Academy of TV Arts & Sciences.

Joseph R. Matthews of Nielsen, and William Shafer of ARB said that their business is quantitative research, not qualitative, and that at best they provide an accurate indication of the quality & percentage of homes watching a particular program. They blamed newspapers for the bad publicity & misunderstandings surrounding the use of ratings. Shafer said print media use the information destructively because they are competitive to TV. He asserted that the problem comes from the "uninformed, who read these things written by people who are even more uninformed."

Agency men on the panel (Robert L. Redd, Coast TV-radio v.p. of Erwin, Wasey, Ruthrauff & Ryan and Jack Newell, Coast media director of BBDO) agreed that the main factor in a sponsor's decision is whether the program is selling his product. This explained, they said, those instances of cancellations of high-rated programs, and renewals of low-rated shows. While ratings are valuable, they said, in the last analysis the decision is up to one man—who makes it on the basis of his experience & judgment.

The rating panelists defended their samplings as "scientifically accurate," but admitted there are limits to the reliability of ratings. Matthews said that a Nielsen rating of 20 could very well be 19 or 21 actually. But in order to cut present deviations in half, they would have to quadruple the sample size and cost, he added.

Rating 'the Sponsor's Audience': Network TV shows that are "live, creative, non-violent" and designed to create a "conscious empathy between audience & performer" do the best sales job for sponsors, said Norman, Craig & Kummel ad agency last week in releasing details of "a 9-month special study of TV network programming."

Top shows by this yardstick: Lawrence Welk, Ed Sullivan, Dinah Shore, Jack Benny, Ernie Ford, Perry Como, *GE Theatre* and quiz packages *I've Got a Secret* and *The Price Is Right.* None of the current crop of Westerns (which take top "average audience" honors in Nielsen) were on the list. Said NC&K: "Light entertainment prevailed over blood and guns," with 16 shows in the bottom 20 on the list being "of a violent or death-dealing nature."

Other conclusions: Weekly sponsorship is more effective than alternate weeks, hour-long shows are "proportionally more effective" than half-hours, evening TV is a better buy than daytime, and such extra values in shows as the sponsor's name in the title or seen on-camera during the show are "clearly profitable." Also "warm, friendly entertainment is the most effective vehicle for your commercials."

TV-radio self-policing hasn't brought "revolutionary" reform of commercials, but NAB's TV code & standards of good practice have succeeded in reducing "objectionable advertising," NAB pres. Harold E. Fellows told the Hollywood Ad Club & Chamber of Commerce in a speech prepared for a joint meeting April 20. "Much yet has to be done, obviously—but not alone in this medium," he said, calling for "not only the understanding of the general public but, in a special way, the cooperation of the advertisers and their agents."

Dollar Diplomacy: The publicity soft-pedal is now being applied to those sensational TV purchases in which huge sums of money for a star's services are involved. Reason: A growing list of clients are discovering that some stockholders hit the ceiling over the thought that this year's dividends may be going into a show with a huge price tag.

Example: Kraft Foods in the past month has been getting a small shower of letters & wires from stockholders, major & minor, concerning Perry Como's reputed $25 million, GAC-arranged deal for an NBC-TV series.

Most of the writers don't know, and don't care, that the figure is a lumped sum for time, talent and promotion costs not otherwise much above normal. Kraft's current orders to the network & its agency can be summed up as "Don't mention money any more." Kraft itself now flatly declines to discuss the cost of its Como package.

Ford Motor Co., now closing a deal for a series of specials that will probably top $15 million in costs for a single season, has already begun cautioning publicity people involved in the project to promote the series' names, not the costs of the names. Again, stockholder reaction, in a none-too-easy sales year for the auto industry, is feared.

Companies signing for major specials or high-priced stars have good reason to consider. A memorable example of what backfiring public reaction can do to an overpublicized money deal occurred a few seasons ago when Jackie Gleason signed his $6 million deal with Buick, a deal then touted as "the biggest ever." When viewers tuned out in droves, and ratings started sliding within 2 weeks, faces were grim at the next stockholders session.

With packages selling at new price peaks this season, the handwriting on the public-relations wall seems clear: If you pay a big price for your show, don't brag about it. A tantalizing situation, indeed, for the usually ebullient publicity man.

People: **Wilson A. Shelton**, senior v.p., & creative dir., Compton Adv., succeeding **Alfred J. Seaman**, resigned . . . **Arthur M. Menadier** elected Young & Rubicam v.p. . . . **William B. Carr**, formerly adv. dir., McCall's Magazine, named v.p., N. W. Ayer . . . **Henry Starr**, v.p., Leo Burnett Co., appointed to the new post of account planning v.p.

Gerald T. Arthur, ex-media dir., Fuller & Smith & Ross, named Donahue & Coe media v.p. . . . **F. Henry Larson** elected v.p., Brooke, Smith, French & Dorrance . . . **Frank M. Leonard**, ex-Campbell-Ewald, appointed p.r. dir., Dancer-Fitzgerald-Sample . . . **Rudolph Jon Wille**, ex-J. M. Mathes, named mgr., Grant Adv.'s new office (42nd for Grant) in Hamburg, West Germany.

Edward F. Krein, ex-Aubrey, Finlay, Marley & Hodgson, named v.p., Western Adv. Agency, Chicago . . . **Sheldon Kaplan** promoted to TV-radio director of Rogers & Smith, Dallas, succeeding **Howard Fisher**, now v.p. & exec. dir. . . . **Thomas A. Quinn**, ex-N.Y. *Daily News*, and **A. B. Crampton** appointed v.p.'s, Quinn-Lowe adv. . . . **Vance Jonson** & **Terry Galanoy** elected v.p.'s of Stiller-Hunt, Beverly Hills . . . **J. G. Waltjen** is pres. of newly-formed Waltjen Assoc. adv., 2103 N. Charles St., Baltimore.

William E. Holden, v.p. & dir., Doherty, Clifford, Steers & Shenfield, elected secy. . . . **James Garabrant**, print production mgr., Dancer-Fitzgerald-Sample, elected v.p.

Obituary

William King Pehlert, 52, v.p. & account supervisor, Cunningham & Walsh, died April 14 in Elkins Park, suburb of Philadelphia.

Film & Tape

More about

HOLLYWOOD'S ABOUT-FACE: After a belated start—due mainly to their disdain & "pretend-it-isn't-here-&-it-will-go-away" attitude—the movies have gone all-out to capture TV film business. Every major movie studio today is producing TV film, renting space to independents, seeking tenants or doing all three (see p. 3).

Unquestionably, there are a few upper-echelon diehard movie-makers who still resent TV, but orders from main offices in N. Y. are unmistakeable—and they're followed. Also, much of the original hate-TV attitude stemmed from the cinemen's fear of offending theater owners.

Not long ago, movie studios wouldn't even allow their contract players to appear on TV. That, too, has changed. Now they want them on, to get the powerful free plugs for their theater product. When Diane Varsi quit Hollywood recently, she gave as one of the reasons an edict from her studio, 20th-Fox, that she star in a *Playhouse 90*. She did, but she hadn't been happy about it, she said.

At Warner Bros. studio today there are 6 telefilm series in production—and only one movie (another is on location).

At Columbia 3 telefilm series are in production, being filmed by Screen Gems, its TV subsidiary. Of 4 Columbia movies now being made, none is at the studio. All are before cameras abroad or on domestic location.

Metro-Goldwyn-Mayer has 3 movies in production & 6 telefilm series, all but one of the TV shows being rental deals. The exception is MGM-TV's only telefilm series, *The Thin Man*.

At 20th-Fox, there are 2 movies & 2 telefilm series in production, but the studio will soon have more TV production. In addition, the studio's Fox Western lot is leased by Four Star Films, which has 5 series in production there.

Paramount has 2 movies in production, & several TV projects in preparation.

Revue Studios, the lot once owned by Universal-International but bought by MCA, is in the process of splitting movie stages so that there will be 2 telefilm stages instead of one big movie stage. Right now UI, which leases space there, has 3 movies in production. Revue has one telefilm series in production there, and 4 at Republic studios, its former production site. (Revue and Republic have just terminated their rental agreement, by mutual consent, so Revue's transfer to its new studio will be accelerated.)

The movie studios have approximately a third of the TV film business, & they're determined to get more. They have already hurt business at the independent studio rental lots in Hollywood which were prospering considerably before the majors opened their doors to TV. Such an independent studio as General Service, which once was filled to capacity, now has only 2 telefilm companies in production. The Hal Roach studio, beset by legal difficulties, is quiet, except for *The Dennis O'Keefe Show*, which hires its own production staff & crew. The Goldwyn lot, a rental operation, had no tenant until last week, when CBS decided to move 5 of its filmed series there: *Perry Mason* (currently in production at 20th-Fox), *Have Gun, Will Travel* & *Gunsmoke* (from California studios), *The Lineup* (moving from Desilu) and the Rod Serling series, *Twilight Zone.*

Busiest of the independent studios is the Desilu company which has 14 series in production at its Desilu Gower, Desilu Culver & Motion Picture Center studios. However, Desilu has 35 stages. That's why Desi Arnaz is currently busy trying to get new product for next season. No other independent studio approaches Desilu in volume of rentals.

The majors began their flirtation with TV several years ago when they sold their pre-1948 backlogs of pictures to video. Some, of course, are still involved in the distribution to TV of those old movies.

Screen Gems was one of the first to enter telefilm production, & Paramount was the last, coming in only recently. Universal-International produced a telefilm series several years ago, but, unable to sell it, shelved it; the company hasn't made one since.

To get an idea of the impact TV has made on the majors, look at the huge Warner Bros. Burbank lot, which would be virtually empty today were it not for the 6 series now in production. Warners' plans for next season indicate there will be even more such production.

Warners' activity would be duplicated—or bettered—by every major in Hollywood if it could get the business. To do so, each studio is rounding up top creative talent to lure the TV business it once scorned.

Ad agencies & sponsors, once impressed by the majors' prestige, aren't any longer. That's because when majors first got into TV production, much of their product lacked quality. As a result, the agency men & sponsors are leery of doing business with a studio simply because it's a "name." They want results, not chest-pounding, & that's why buying for next season is evenly distributed, with the independents & majors sharing alike in the TV pie.

* * *

Four Star Films, seeking to lease Republic Studios, has made a counter proposal to Republic pres. Herbert J. Yates after receiving a rental proposal from Yates. If the latter's reply is not to Four Star's liking, the company will remain at Fox Western, and rent space elsewhere for its additional needs. Meanwhile, Revue and Republic have agreed to terminate Revue's rental contracts at Republic, and the telefilm company is now moving to its new studios, the former Universal-International lot. Last week a Republic spokesman indicated there was some substance to reports NBC and United Artists are negotiating lease deals with option to buy at Republic. However, NBC sources categorically denied there was anything to it, and United Artists sources said they knew of no such talks.

ITC 'Looking, Not Buying': Jack Wrather's Independent TV Corp. isn't making any near-future purchase of a Hollywood studio lot, we're told by Wrather. "We're holding a program plans meeting in Palm Springs in May," he said. "In the meantime, we've been making our own survey of available studio space & facilities at every major Hollywood lot, and this has probably caused the reports that we're buying one."

Added Wrather: "Our operation is growing so rapidly that I'll admit we've thought about buying a studio, but we have no immediate deal in mind." Through Britain's ATV, which is a partner with Wrather in ITC, he has a link of sorts already to a film lot, since ATV owns film studios in London & Australia at which ITC shows are in production.

In addition to present activities in network & syndicated film & tape series, Wrather says, ITC may package several 90-minute network specials this fall, built around major Hollywood talents.

Videotape International: A development which may pave the way for regular international tape TV program syndication was demonstrated by Ampex April 15 at the 9th plenary assembly of the International Radio Consultative Committee (CCIR). It's "Inter-Switch," a modification of the standard Ampex VR-1000 Videotape Recorder which permits a single machine to record programs on any 2, 3 or all 4 of the TV standards now in use throughout the world.

It's not a "standards converter"—that is, it won't record on one standard and play back on another. But it will, for example, record a British 405-line from a British-standards camera, and then record a U.S. 525-line signal from an American camera at the flick of a switch. Any Ampex recorder can be converted to an "Inter-Switch" model to accommodate the British 405-line system, the French 819-line system, and/or the European 625-line system, in addition to the U.S.-Latin America-Far East 525-line system.

The demonstration at Los Angeles' Biltmore Hotel featured 525-line and 625-line tapes recorded from a dual-standard Marconi Mark III camera, with Rank Cintel 625-line monitors & Conrac 525-line monitors. Throwing a single switch changes the standards of the recorder. The "Inter-Switch" recorders & modifications will be available on special order through all Ampex distribution channels. Outside the U.S., they will be handled by new Ampex International, headed by Phillip L. Gundy, Ampex Corp. v.p.

To record a program for both U.S. & British TV on an "Inter-Switch" recorder, this procedure would have to be followed: Using U.S. standard cameras & monitors, the program is recorded with the 525-line American system, resulting in a tape suitable for U.S. TV. Then the switch is flicked to 405 lines, and the live show is reenacted and shot again using British-type cameras. This tape can be played by British stations. In effect, the single recorder does the work of 2—a U.S.-standard and a British-standard machine.

A converted passenger bus containing 2 Ampex recorders, plus a control truck built by CBS to handle as many as 6 cameras at once, is used for *On The Go*, Jack Linkletter's taped daytimer. The cavalcade includes 2 mobile power generators, a utility truck to carry cameras & other gear, and a portable dressing room truck with full make-up facilities. So eye-stopping is the full caravan that CBS plans to feature shots of it in the 5-a-week show, which starts this week.

Distinction of being "the first video-taped show in syndication sponsored by a national sponsor" is claimed for Mark Wilson's *Magic Circus*, taped at KRLD-TV Dallas. Minnesota Mining has bought it for 5 markets on a 13-week basis, and it may go on a network basis in fall. Sponsor, incidentally, is only maker of videotape.

New York Roundup: In its first week of selling a syndicated version of *Ding Dong School* on a take-your-choice basis of tape or film, ITC received calls from "all over the country," according to sales chief Al Unger. Tape-equipped stations are reported "very interested because it gives them a chance to start amortizing their equipment." ITC may launch a tape version of the old radio series, *It Pays to be Ignorant,* as its second video taped show.

Ziv TV claims a 90% renewal rate (167 markets out of 186) since Jan. on its filmed *Sea Hunt* series . . . Intercontinental TV S.A.—the European-based freelance tape firm—opened its doors in Paris for new business, with James F. Gannon, mgr., arriving from N.Y. to take up sales duties . . . You'll have no trouble finding film buyers —if you've got footage of Tibet's Dalai Lama. At the moment, CBS-TV has cornered most of the available world footage (from Lowell Thomas & from the Dalai Lama's brother, who lives in the U.S.)

Latest feature package from NTA includes 51 post-1948 features out of 64 movies—but the big sales point to stations is the inclusion of 6 old Shirley Temple films, and such Selznick oldies as "Little Lord Fauntleroy" . . . CBS Films is reported screening the pilot of Sidney Kingsley's *World in White,* filmed 2 seasons ago in N.Y.

Wagon Train, MCA hour-long film package on NBC-TV, had the lowest cost-per-1,000 score on the networks in the Jan.-Feb. Nielsen reports ($1.64), with *Maverick* on ABC-TV ($1.70) as a close runner-up. Altogether, ABC-TV placed 6 shows, 5 of them film packages, among the "cost efficiency" top 10 . . . NTA is said to be readying the pilot of *High Noon,* a half-hour series based on Stanley Kramer's movie, for agency presentation shortly.

Independent producer Sam Marx, whose pilot of *The Jan Clayton Show* has been shown around Madison Ave. for several months, tells us he's discussing syndication of the series with several companies. "There are many action shows & reruns in syndication, but there's a shortage of family shows. Syndicators tell me that's why they're interested in my show," Marx says.

Screen Gems has re-organized traffic dept. to separate the handling of national & syndicated programs. Alan Press, natl. traffic mgr., will be responsible for the 12 network & national spot shows and Sid Weiner, syndication traffic mgr., will be responsible for first-run, rerun and cartoon syndicated series. John Ballinger, Western traffic mgr., will continue on distribution in the 11 Western states.

ABC-TV continues to have the fewest qualms about airing another network's film show. Latest deal is for *Philip Marlowe,* a co-production between Goodson-Todman and NBC offshoot California National, which starts Sept. 29 on ABC for Brown & Williamson and Whitehall Labs (Ted Bates agency). ABC-TV has also carried the CBS-sold *Navy Log.* (*Naked City* has been cancelled.)

All Westinghouse TV stations are buying, on an individual basis, Trans-Lux TV's new *Felix the Cat* color cartoon series. Total price is said to be high in the 6-figure bracket. WBC has been inactive in group deals lately, but two seasons ago helped get Screen Gems' *Casey Jones* off to a fast start with a multi-station buy.

East Coast subscribers who wish to receive their copies via Special Delivery at their home addresses on Sunday may do so by addressing our circulation department. U. S. Special Delivery subscribers will be billed additionally $15.60 per year; Airmail-Special Delivery $19.22.

Hollywood Roundup: New pilot projects here include *Conquerors on Horseback,* anthology to be co-produced by Arthur Kennedy & Nick Adams; CBS Films' tentatively titled *The Promoter,* with Dick Brill as producer; Desilu's *All About Barbara,* starring Barbara Nichols & Bill Bishop, with Quinn Martin as producer . . . Screen Actors Guild last week invited the American Federation of TV & Radio Artists to discuss the possibility of a merger.

American Tobacco has bought alternating sponsorship on *Moonshot,* the Ziv TV series, for CBS next season. The other half of the series is open . . . Lever Bros., which originally bought an alternating sponsorship of *Blue Men* on CBS, has stepped it up to full sponsorship.

The TV Academy nominations include a few oddities. For instance, 31 of them go to performers or series which have been cancelled or have lost sponsors—Jane Wyman, Bob Cummings, Jack Benny, Phil Silvers, Ida Lupino, to name a few . . . Joe Hoffman will produce Revue's new series, *Whispering Smith,* starring Audie Murphy . . . L. Wolfe Gilbert is planning a new telefilm series called *Everybody Sing.*

Dan Seymour, J. Walter Thompson v.p., is here scouting for new series . . . P&G have bought alternating sponsorship of *The Donna Reed Show* on ABC next season, sharing the series with Campbell soup.

Renewal prospects are bright for *Steve Canyon,* sponsored by Chesterfield. May 1 is the official renewal date . . . Not so good are prospects for another McCann-Erickson buy, *Pete Kelley's Blues,* also Chesterfield-sponsored. Pete's first 2 shows have been inauspicious and the client is not too happy with them. The deal is firm only for 6 alternate-week programs.

Hollywood estimates that winning an Oscar adds $1 million to the value of its recipient's latest picture. Just how much added value accrues to a TV series is a moot question, since this has never happened before. But Singer Sewing Machine, which bought the *David Niven Show* some months ago, should benefit considerably from the publicity.

Sale of the late John Barrymore's 10% interest in three 1928 Warner Bros. movies (*Svengali, Moby Dick* and *The Mad Genius*) to United Artists Associated Inc., which distributes film packages to TV, was approved last week in Los Angeles Superior Court. Price: $10,500. However, the actor died owing $40,000 in back taxes, so it's doubtful whether his 3 children will share in the $10,500.

Syndication Upsurge: Hollywood observers tell us they expect a big rise in syndicated telefilm product to be marketed next fall. They base this on the fact that a considerable number of series are now being produced on a network-or-syndication basis, and obviously there won't be room for many on the networks—not in the face of those series already sold plus renewals of the successful series.

ABC Films Inc., for example, is planning 8 series for production which, if they don't go network, will go into syndication. United Artists TV has firm commitments for 39 episodes of *The Dennis O'Keefe Show,* now in production, which is likely to go into syndication if no network buyer is found. The same is true of UA's *The Vikings.*

There is every indication the syndication field may get more product next fall than it's had in years.

"The Changing Face of Broadcasting" will be discussed by Oliver Unger, pres. of NTA at the Broadcast Advertising Club of Chicago April 23 luncheon. NTA now owns 3 TV & 2 radio stations, a film network, and other units in TV & theater film production & distribution.

10 Candles on Screen Gems Cake: End-of-show emblems on Screen Gems' films last week began carrying a new copy line: "10th Anniversary Film Presentation," to mark what Screen Gems terms "a modest celebration."

On April 20, 1949, Ralph M. Cohn, now pres., had just submitted his first 50-page TV prospectus to Columbia Pictures management. On June 1, 1949, Cohn started operations with one producer and one secretary.

The picture today: Screen Gems has produced a total of 27 different series, many renewed for several seasons, for 1266 half-hours of film programming. Five more series have been distributed, but not directly produced, bringing the telefilm total to 1768 episodes.

After a lapse of several years (apart from star commercials aired in SG shows), Screen Gems is back in the commercials business, having bought the tape-equipped film firm of Elliot, Unger & Elliot in Feb. of this year.

Feature films & comedy shorts are a major part of Screen Gems' business. Syndication catalog includes Columbia and Universal features, with over 900 in active distribution, plus comedy oldies like *Three Stooges* and the *Hilarious Hundred* package.

Distribution is worldwide in network & syndication deals. The domestic sales force (new network shows, off-network reruns, cartoons, first-run syndication, etc.) is divided into 6 regional sales staffs. International operations are through affiliates in England, Canada, Mexico and Australia, plus 35 sales offices of Columbia Pictures. For overseas sales, pictures are dubbed in 6 languages.

The worldwide staff today of Screen Gems on the direct payroll—not including free-lance creative & performing talent—is almost exactly 100 times larger than the 3-man staff with which it began, just a hectic decade ago. Annual gross business: in the $20 million bracket.

From our Hollywood Bureau comes an important P.S. to this story—still in the same growth theme: Screen Gems may produce some live spectaculars next season. And v.p. Harry Ackerman, as he left last week for Europe told us that the company is planning increased production of telefilm series in England.

Short-term TV Deals: MGM-TV—convinced that many of the TV film deals now being made are 13-week contracts—is considering holding off showing some of its pilots until the end of the year, when sponsors of short-term series may be looking for replacements.

That's what we're told by MGM-TV production chief Richard Maibaum, who points to his company's *Johnny Eager*, starring Larry Pennell, & *You're Only Young Once*, starring James Hutton. "We feel they are particularly saleable, but may not show them at this time. We certainly won't if a good time slot isn't available," he says. Maibaum thinks there'll be a buying splurge in July, when sponsors will seek to lock up schedules for next season.

Colgate must notify the studio regarding renewal of *The Thin Man* by June 21, but, says Maibaum, "we are planning on next year regardless. We will seek another sponsor if Colgate doesn't renew." He feels the show hasn't yet tapped its potential. For the future he plans to have more intrigue & suspense rather than broad comedy.

Meanwhile, seven 90-min. MGM-TV specials which will be co-produced by Talent Assoc. from pre-1948 Metro movies, have been bought for co-sponsorship by General Mills & General Time Corp.'s Westclox div. They will be seen monthly beginning in Oct. The network hasn't yet been selected by BBDO, agency for both sponsors.

Educational Television

Sarnoff on ETV: Calling *Continental Classroom* (NBC's college-level course in atomic age physics) "the first time that TV is attacking a major national problem on a direct, sustained and pin-pointed basis," Chmn. Robert W. Sarnoff last week told the N.C. General Assembly in Raleigh that TV is "well on its way to becoming an intrinsic part of this nation's educational system." He added that he did not regard NBC's efforts in the educational field "as a departure by any means from what we have always conceived as our responsibility as broadcasters."

Pointing to the vast number of students who could be reached by great teachers only through the electronic medium, Mr. Sarnoff said: "If Dr. Harvey E. White were to divide his present TV student body into 5 standard college classes a day, teaching them in the usual way would take more than 1300 years!" The program is offered for academic credit in 250 colleges & universities, on 149 stations.

N.Y. state **ETV funds** have been cut to $550,000 for 1959-60 by the legislature in Albany, which rejected recommendations by Gov. Nelson A. Rockefeller for increases from last year's $600,000 (Vol. 15:6). Result: Almost certain curtailments in N.Y. city & upstate TV projects for schools. Originally, the State Education Dept. had asked for $850,000 to maintain & strengthen the ETV systems. "A terrible blow," said TV coordinator Dr. Maurice U. Ames of the N.Y. city school board. "Most unfortunate," said pres. Alan Willard Brown of the Metropolitan Educational TV Assn. "We will lose our adult program of Russian, plus our teacher-training telecasts," said exec. director James F. MacAndrew of the board of regents ETV project. The cut will require WPIX N.Y. to reduce from its present 7 hours of daily ETV broadcasting to 5. Classroom sets receiving the programs have risen from 300 last Sept. when the service began, to a present 6000, plus unnumbered schools in N.J. and Conn., known to be an additional, free-riding audience.

The traditional letters-to-the-editor dept. has arrived on TV—at educational WTVS (Ch. 56) Detroit, which believes it is the first to introduce the print-media feature in a TV news program. "We feel that many viewers who just sit and watch TV night after night might like the opportunity to talk back," explains U of Detroit Prof. Frederic Hayes, who edits the show.

The 1959 Institute for Education by Radio & TV will hear CBS Pres. Frank Stanton deliver the keynote address at its sessions, May 6-9, at Ohio State U. Among other speakers: producer David Susskind, Comr. Frederick W. Ford, GE equipment sales manager Paul Chamberlain, and, by remote hook-up, Sen. Warren G. Magnuson (D-Wash.).

Live programming from Canada is being re-transmitted by WGBH-FM Boston for 3 days starting April 19, in a precedent-setting arrangement between the station & CBC. The ETV organization's video station, WGBH-TV, will tie in with filmed programs lent by CBC.

"Phenomenally good" ETV results are reported by George Washington U, Washington, which sponsors a 6 a.m. "Classroom 9: Beginning Russian" course on WTOP-TV. Of 70 TV students who appeared on the campus for first tests, 36 rated A, 16 B, 9 C. Only 9 flunked.

National Assn. of Educational Bcstrs. has published a new directory of members, dated March 1959, and available from NAEB, 14 Gregory Hall, Urbana, Ill.

Trade Report . . . .

APRIL 20, 1959

A SPRINGTIME SNAFU — THE SQUARE-CORNER TUBE: What's flat in the middle, square in the corners and a headache all over? Answer: The 23-in. tube—and most set makers wish it would go away.

This widely-heralded "something new" came just at the wrong time, many set manufacturers agree—but it can't be ignored, and the majority of those with last-minute plans for the new tube are using it with extreme reluctance, for "protection."

"If it had come 6 months sooner or 6 months later the whole industry would have had time to use and adapt it," said the consumer-products chief of a large TV producer. "But as it is, it will just throw an element of confusion into the picture. The configuration is desirable & attractive, but we don't like the extra cost or the idea of going whole hog before it's really been proved out. And it's going to be some time before we can get production quantities. We're sticking with the 21"—and then he added, with a sigh—"but we may drop a couple of 23's in later."

This attitude may be extreme, but it expresses feeling of many top set makers who had already frozen their June lines without the 23-in. tubes—or thought they had. Hardly anybody wants to be quoted, but it now appears likely that majority will be ready to throw in at least one high-end 23-in. twin-panel tube set by fall. Even this is tentative, and if the "new shape" shows signs of falling flat, some of these plans will be gratefully shelved for next year.

We know of only one company willing to state that it will go 100% to the new tube for its 1960 consoles & table models—and that's enthusiast Sylvania, which will show 23-in. line to distributors June 12, pledging July & Aug. delivery. But even Sylvania's tube div. concedes there's been "some difficulty" setting up for production, as with any new tube.

"It's not an easy or cheap tube to make, and there are lots of problems involved," another tube maker told us. "But we'll be ready with enough quantity to have show models in June." Real quantity production isn't expected until July or Aug.—and that's the rub. Mass output of Corning's 23-in. twin-panel bulbs isn't due till June. And one problem bothering tube makers is the difficulty—some call it impossibility—of reclaiming and reprocessing production rejects.

Hesitant set makers worry principally about costs: New tube will cost them $5 more than present 21-in. 110-degree tubes. When you subtract external safety glass & hardware which aren't needed with new tube (with its own safety glass bonded on), manufacturer's price differential is about $3.50 or so—translated into $10-$20 more at retail. For manufacturers who will be changing over from 90-degree tubes, differential will be considerably more.

Is it different enough to induce public to buy it at this increased price? Guesses vary widely, and, of course, only the test of the marketplace will give answer. So few set makers are willing to be identified on this touchy subject that we present this distillation of more pungent comments without attribution:

(1) "We have the tube, our designers are at work on sets—but: We have no specific plans to use it. We may be forced to use it. Even at this late date, our 1960 line isn't frozen. We may drop it in."

(2) "We wonder if we can extract the cost from consumers. The impact certainly won't be as great as it would have been 4-5 years ago when the public flocked into stores to see what was 'new' in TV. The public now is more concerned with quality & reliability, and that's where our emphasis will be. The new tube actually isn't much of a forward advance or fundamental change, and the public's accustomed to 21-in. sets, bought them by the millions. But honestly, we don't know how we'll move—later. Everybody wonders whether the competitor has the advantage. In the final analysis, it depends on what risks you want to take."

(3) "We're not completely sure yet. We've got a couple of them pencilled into the line—but changes are so rapid that we don't know."

(4) "This tube still must go through a lot of development by set & tube makers before it can be used with confidence. Publicity about it is only doing the industry a disservice. Why disturb the consumer? We think it will be at least a year or a year-&-a-half before we go into it."

The 23-in. sets shown at June markets will be little more than mock-ups, due to extremely limited availability of tubes, even by that time. And one story being told around the industry has it that a major manufacturer, which designed a large 23-in. line early around blueprints for the new tube, had to scrap the dies for the picture mask when sample tubes came in—the dimensions were different.

The 18-in. version of twin-panel tube probably won't be seen in sets this summer at all, although Corning will have bulbs available and tube makers will begin sampling major accounts by end of this month.

Updating our last status report on new tube (Vol. 15:5), it's our informed guess that these manufacturers (some of them reluctantly) will show 23-in. sets with their new lines: Admiral, Hoffman, RCA, Sylvania, Warwick, Zenith. These other set makers may join them or drop in a few 23-in. models in late summer or fall: GE, Motorola, Philco. List is necessarily incomplete, and could change markedly—depending on lots of things, including dealer & consumer reaction when sets are out.

TV-RADIO PRODUCTION: TV set production was 106,691 in week ended April 10 vs. 111,563 in preceding week & 76,954 in same 1958 week, EIA reports. Year's 14th week brought production to 1,496,-245 vs. 1,296,939 last year. Radio production was 254,390 (99,188 auto) vs. 263,316 (104,090 auto) in preceding week & 183,461 (61,024 auto) last year. For 14 weeks: 3,849,223 (1,463,216 auto).

TV SALES PICK-UP: Filtering in from retail centers are reports of a marked increase in TV sales in the past few weeks—the late-March-early-April period which traditionally signals the beginning of the seasonal retail drop. If these early reports are true, TV is finally catching up with a trend which began earlier in appliances, radios and other consumer goods, whose retail sales have been showing steady improvement over last year.

TV set manufacturers are playing a numbers game this year, reporting percentage of increases in sales & shipments for first quarter. So many of them have reported sharp increases that it's hard to understand how retail sales for Jan. & Feb. could have been lower than 1958 (Vol. 15:14-15)—unless there was a hefty boom in March.

Added to big percentage gains already reported for Zenith, Motorola & Sylvania (Vol. 15:14) is Admiral's report this week that its first-quarter TV shipments are 37% ahead of last year. RCA, which recently introduced its extremely slim & good-looking "Sportable" TV and new radio lines, says reception for them was so enthusiastic that "it will take 2 or 3 months for us to catch up with orders already in hand." Among smaller makers, Wells-Gardner reports a "general pickup" and Andrea notes "the most significant [TV] sales gains in the history of the company." During the first quarter, Andrea's TV sales were 929 units ahead of the 1958 period and "export sales registered a 100% rise." (Further details on most of these statements will be found in the Financial Reports section.)

Minimum wage hearing for electronic tubes & related products industry under the Walsh-Healey Act will be conducted May 4 in Washington by the Labor Dept.'s Wage & Hour and Public Contracts Divs. Opposing recommendations by labor & management for minimum pay for workers on govt. contracts will be based on a survey last June by the Labor Dept. It showed the median hourly wage then was $1.70, ranging from $1.61 from solid-state semiconductor devices to $1.82 for transmitting, industrial & special purpose tubes.

Sonotone Corp. and **American Motors** announced a joint development project to study the merits and feasibility of an electric automobile. Electronics manufacturer Sonotone has been producing nickel-cadmium batteries for missiles & jet aircraft.

New Admiral & Hoffman Sets: In honor of its 25th anniversary, being celebrated this month, Admiral is introducing 2 new 17-in. portables, 2 personal transistor clock radios, and 2 portable stereo phonos. And Hoffman is dropping in a new super-duper luxury TV series along with 4 new stereo phonos.

The Admiral Thinman TVs are available in "custom" metal cabinets and in 3 "executive" leatherette versions in variety of colors. The transistor radios are offered in 5- & 8-transistor models. The portable stereo phonos are inter-mix-changer & single-play models.

Hoffman's new TV is the Claremont lowboy with 2 angled speaker systems at opposite ends of the cabinet so that its hi-fi sound system may also be used as a stereo extension unit. An upright companion unit, the Newport, was also introduced. In addition, Hoffman announced 3 new single-cabinet stereo hi fi consoles and the "Stereo Pal" portable stereo phono.

Hoffman has licensed Argentine manufacturer Industrias Plasticas y Electronicas de Cordoba, to build its TV receivers & radios for sale in that country and Uruguay. The licensee is constructing a 21,500-sq.-ft. TV assembly plant in the city of Jesus Maria, to commence production in May. An eventual output of 1000-1500 sets per month is contemplated.

Look for some futuristic surprises in set makers' new lines this summer—a la Philco's separate-screen Predicta models of last year. RCA is believed to have a couple up its sleeve, and would neither confirm nor deny reports that its line would include a power-operated "retractable-screen" set in which the picture-tube assembly disappears into the cabinet when not in use.

IUE strike which has idled the Westinghouse Metuchen, N.J., TV-radio-hi-fi plant since March 25 went into its 5th week. A Superior Court hearing in Trenton stretched into Friday evening, with the company seeking a temporary restraining order against picketing, charging the plant's future was imperilled by union tactics in blocking designers, other companies' salesmen, and its advertising agency from entering.

Hayden Publishing Co., N.Y. (*Electronic Design*), has established a technical book div. Its first volume will be a hard-cover book on micro-miniaturization, to be released April 25.

HOW PUBLIC FEELS ABOUT COLOR: Price is still the biggest barrier to widespread sales of color TV, reports a scientific survey of the greater Philadelphia area by market consultant Karl H. Stein, Temple U asst. professor of marketing. A summary of his findings:

Attitudes toward buying: Of the respondents who did not own TV sets (90%), 44% gave high cost as the reason for not buying. Asked how much they would be willing to pay, they gave responses varying from $50 to $400 (lowest-priced color set on the market in Philadelphia at that time was RCA's "Christmas Special" at $399). The average figure was $237.50, median $225, mode $250.

The second most prevalent reason for not buying was lack of sufficient color programs—cited by 12%. The average respondent stated he would consider buying a color set when there were 29.2 hours per week of color programs; median response was 28 hours (at the time there were approximately 20 hours weekly in the area).

Other reasons for not buying: Waiting for more brands to appear 3.3%. Satisfied with b&w 5.7%. Servicing costs too high 3.1%

Exposure to color TV: Some 73.4% said they had seen color TV. Of these, 30.4% had seen it at homes of friends or relatives; 29.2%, hotels, restaurants & bars; 22%, dealers' showrooms; 10.4%, respondent's own home; 5.5%, appliance exhibits; 2.5%, other locations.

Attitudes toward color: Asked "What did you like about the color programs you have seen?", 37% indicated they were more interesting, 28% more pleasing to the eye, 4% "made you feel part of the show." Aspects of color TV which were disliked: color confusion, 26.5%; difficulty of adjustment, 26.5%; poor color, 23%; fading, 5.7%; excessive brightness, 4.6%; eyestrain 3.5%.

Color set owners: Asked why they bought them, those who owned color sets gave these answers: Replacement for a b&w set, 22%; wanted an additional set 20%; wanted better reproduction, 19.5%; recommended by friends, 13%; saw it advertised, 9%. Color set owners are much more likely to own a large number (more than 3 or 4) of b&w sets than those who don't own color sets.

The preponderance of color-set owners are engaged in higher paid occupations (e.g., 55% have "executive" jobs as compared with 20% of b&w owners), go to the movies more often and do less TV viewing than those who don't own color sets.

Conclusions: "If color TV is to enjoy a market beyond its present acceptance, it apparently should come down in price and be presented in a larger variety of brands & styles to a greater proportion of the potential purchasers . . . This apparently will also require dealer education & motivation, but consumer education & motivation must be pursued with equal vigor . . . Technical improvement in transmission and an increase in the hours of color programming are essential . . . The respondents feel that the technical quality of reception and the ease of achieving it by the typical home user must also be improved . . .

"Boosting color TV in this manner would seem to involve trading down and/or functionalizing b&w TV. The portable is an illustration . . . As a result of [such new] developments, the older & newer products will come to complement each other. At that point, instead of fighting for shares in one competitive market, color and b&w TV will aid each other in developing new and enlarging existing markets." The full analysis is printed in Temple U's March *Economics & Business Bulletin*.

ELECTRONICS SURVEYS STARTED: First govt. surveys ever undertaken to determine production capacities & needs of manufacturers of electronic end equipment and microwave components were launched last week by the electronics div. of the Commerce Dept.'s Business & Defense Services Administration. The survey doesn't cover consumer products.

Acting for the BDSA, the Census Bureau sent out exhaustive questionnaires to 550 electronic end equipment companies and 150 microwave component firms to obtain hitherto-unavailable trade information "essential for defense mobilization planning." The surveys, authorized by the Defense Production Act, are scheduled for completion by June 30. The deadline for answers to the questionnaires is May 15.

"Individual company information will be protected against disclosure of proprietary information, and in accordance with federal security regulations," the BDSA said. "Subject to these limitations, the overall results of the surveys will be available to industry, and will, for the first time, provide reliable information on the volume of business for many electronic products. This will assist the industry in planning & marketing activities."

Up to now the electronics div., headed by Donald S. Parris, has had "only vague procurement information" about military & industrial electronic end products, a spokesman told us. They would be in prime demand if the country goes on a war footing, but little data is on hand to indicate the manufacturers' requirements for such items as steel, aluminum, and manpower. Survey reports also will cover shipments, unfilled orders, inventories, etc.

In all, about 100 non-broadcasting categories are covered in the end-equipment surveys, ranging from radar, sonar, fire controls & missile guidance systems to mobile communications apparatus. About half that many microwave component categories are covered.

The EIA, which has conducted many industry surveys but hasn't attempted to cover some of the questions in the BDSA census, got out a release to its members pointing out that early replies from manufacturers were needed.

Entering FM radio field, General Instrument Corp. has started mass production of a low-cost miniaturized FM tuner for "2 of the leading brand-name set makers." GI makes these claims for the tiny low-cost unit: More sensitive than comparable tuners, it fits into a space slightly bigger than a cigarette pack. It utilizes printed circuit boards, prevents drift with temperature-compensated components. It's available with AFC using a silicon diode.

Davega Stores Corp., 26-store TV-appliance-sporting goods chain, will consolidate with Dilbert Quality Supermarkets (80 stores), subject to stockholder approval. Davega stockholders would receive 56/100ths of a share of Dilbert common for each share of Davega common, and 1-1/20th of common for each share of Davega pfd.

Two lines of picture tubes are now being offered nationally by CBS-Hytron—budget-priced re-manufactured Palomar and premium Silver-Vision. Hytron thus follows RCA in national distribution of a dual line, although it claims a "first," having test-marketed the program for more than a year on the West Coast.

Philips Electrical Ltd., Great Britain, has acquired control of TV-radio manufacturer A. C. Cossor Ltd., together with the right to use the Cossor trademark in all countries except Pakistan & Canada.

Trade Personals: Irving G. Rosenberg resigns April 30 as v.p., Du Mont TV & Radio Corp. subsidiary of Emerson. He occupied various executive posts with Du Mont Labs since 1941 until the absorption of Du Mont's consumer business by Emerson last year . . . Oscar Lasdon, N.Y. financial consultant, and Robert A. Maes, exec. v.p. & a dir., Donner Foundation of Philadelphia, elected to Du Mont Labs board. Robert W. Norcross promoted from Du Mont asst. treas. to treas. . . . Gene K. Beare, pres. of Automatic Electric International, a subsidiary of General Telephone & Electronics, named also pres. of Sylvania International, a new post. Richard C. Tonner named manufacturing superintendent, Sylvania semiconductor plant, Woburn, Mass. . . . George W. Griffin Jr., former Sylvania p.r. v.p., elected p.r. v.p., General Telephone & Electronics Corp. George P. Norton, promoted from p.r. dir. to v.p. in charge of financial & stockholder relations and adv.

W. A. MacDonald, chairman, also becomes pres., Hazeltine Corp., succeeding Philip F. LaFollette, who has resigned chairmanship but continues as a director & special consultant . . . Harry A. Ehle, prominent electronics industry figure who was exec. v.p. of International Resistance Co. until last fall, has resigned as a director of Auerbach Electronics Corp., Narberth, Pa., and plans to move to the Virgin Islands where he will be affiliated with a non-electronics business concern . . . John A. Mayberry, ex-Sylvania, named merchandising mgr. for dealer products, CBS-Hytron . . . John M. Haley named mgr. of customer service, Sylvania picture tube operations, replacing J. Paul Civitts, who will be mgr. of Sylvania TV picture tube plant in Monterey, Mexico . . . William J. Stolze, mgr. of the technical staff, Stromberg-Carlson electronics div., awarded an Alfred P. Sloan Fellowship in executive development for a year's study at MIT, leading to an MS degree in industrial management.

Earl H. Blaik, Avco v.p., has been appointed by President Eisenhower to a 34-member advisory committee on the arts for the projected National Cultural Center in Washington . . . Joseph A. Haimes appointed administration & controls mgr., distributor products dept., RCA electron tube div. Dr. Robert B. Green, ex-Engelhard Industries, appointed mgr., materials planning, mktg. dept., RCA semiconductor & materials div. . . . Albert M. Schlosberg, ex-American Hydrotherm Corp., named gen. mgr., Claremont Tube Corp. . . . Robert T. Diehl, ex-Pacific Semiconductors, named planning dir., ITT industrial products div. Douglas J. Upton appointed product mgr., industrial TV div.; Brewster W. Jameson, product mgr., instruments department.

Bertram G. Ryland, ex-GE, named mgr., Raytheon's new Spencer microwave power tube lab, Burlington, Mass., due to open next month. Capt. John N. Boland, USN (Ret.), mgr., Washington office, appointed supervisor, Raytheon's new corporate govt. relations office, Colorado Springs . . . Edward J. Mooney, legal counsel, Dynamics Corp. of America, elected secy. . . . William Paul Novack named Packard-Bell manufacturing engineering supervisor.

Arno Nash, ex-International Rectifier Corp., appointed v.p. & gen. mgr., Radio Receptor selenium div., General Instrument Corp. . . . Shao C. Feng, ex-Remington Rand Univac, named product planning mgr., Silicon Transistor Corp. . . . Andreas Kramer appointed chief engineer, Audiotape Corp. & Audio Manufacturing Corp., subsidiaries of Audio Devices Inc., N.Y. . . . Rene Snepvangers named engineering dir.; George Cohen appointed mktg. mgr., Fairchild Recording Corp.

Electronics Personals: Maj. Gen. Ralph T. Nelson, former deputy chief, promoted to Chief Signal Officer to succeed retiring Lt. Gen. James D. O'Connell . . . Richard S. Morse, pres. & founder of National Research Corp., Cambridge, Mass. and recently chairman of the Army scientific advisory panel, appointed Army dir. of research & development.

Roy M. Olson, mgr., Motorola microwave dept., named gen. mgr., military electronics center, Chicago, succeeding William S. Wheeler (Vol. 15:15). Irving Koss, mktg. dir., communications & industrial electronics div., replaces Olson . . . Dause L. Bibby, ex-Daystrom, named exec. v.p., Remington Rand div., Sperry Rand.

Sylvania Home Electronics Corp. is organized from the company's home electronics div. as a wholly-owned marketing subsidiary responsible for styling, merchandising & distribution of Sylvania TV sets, radios & phonos. It will be headed by Robert L. Shaw, gen. marketing mgr. of div., as pres. Sylvania's senior v.p. Marion E. Pettigrew said manufacturing & engineering functions will be retained by the div., operating in close liaison with the new subsidiary which will bring the sales organization "closer to the retail floor where consumer trends start."

Manufacturers excise tax on phonograph records must be paid by owners of master recordings who control production & sale of pressings made from them by other companies, the Internal Revenue Service has ruled (Rev. Rul. 59-113). However, if a company leases a master recording from the owner and makes its own sales of pressings to distributors, it is subject to payment of excise taxes. The company is regarded as the manufacturer even if ownership of a tape from which the master recording is made is held by another firm (Rev. Rul. 59-114).

Misrepresentation of operational range of "New Magic Walkie Talkie," "Radio-Vox" & "Radio Talkie" portable radio equipment is alleged in an FTC complaint against Western Radio Corp., Kearney, Neb. The complaint charges that the firm falsely claimed in newspaper & magazine advertising the devices permitted car-to-car talk "up to 1-10 miles apart" and building-to-building talk "up to ½ mile or more."

True "gutless wonder" TV set is now in use in 4 Paris apartment buildings, where a master TV set for each building feeds "slave" TV units in individual apartments. These units are said to cost about half the price of a complete set. Several U.S. manufacturers & community-antenna operators have experimented with similar slave systems, but there never has been any large-scale production here.

Raytheon subsidiary Apelco (Applied Electronics Co., San Francisco) acquires Webster Mfg. Co., Mill Valley, Cal. producer of radio-telephone antennas for marine use. Founder-pres. T. M. Webster of the Mill Valley firm will continue as gen. mgr. with plant location & personnel unchanged.

"Automatic TV program pre-selector" has been developed by Tokyo's Hayakawa Electric Co. to be marketed in Japan for about $53. It permits a viewer to set his viewing schedule in advance for a 12-hour period. The pre-selector changes channels for him.

Low-noise TV amplifier for Ch. 2-6 has been introduced by Adler Electronics for pole, rack or chassis mounting. Designated VCA-1, it is claimed to provide a minimum gain of 40 db, with only 3-db noise on Ch. 6.

Distributor Notes: Ernest F. Tonsmeire, former distribution cost control mgr., Sylvania Home Electronics, named controller, Victor H. Meyer Distributors, a Sylvania Sales Corp. div. . . . Admiral appoints Osborne & Dermody, Reno, for the full line in northeastern California & western Nevada . . . **Hoffman Electronics** appoints Hassco, Denver, for consumer products in Colorado and parts of Nebraska & Wyoming . . . **Olympic** appoints Williamson Supply Co., Williamson, W. Va. for southwest Virginia & eastern Kentucky; Buchanan-Williamson Supply Co., Grundy, Va., for 5 Virginia counties.

Servicing of color sets represents 25.6% of RCA Service Co.'s contract income, although only 12.3% of the sets under contract to the company are color. So said RCA Service Co. pres. D. H. Kunzman in April 19 address to Pa. Federation of Radio-TV Servicemen's Associations. Pointing to higher income from color TV servicing, he urged technicians to "get into color *now* in a big way." He said RCA Service Co. is now servicing less than half of the color sets in use "and we expect our share of the market to grow even smaller" as more independents get into the business. He saw color TV as the only hope for revitalizing TV set sales and consequently boosting service income.

ITT Communication Systems Inc. has been formed to handle ITT's role in improvement & modernization of AirCom, or 480-L, the Air Force's world-wide communications complex. ITT's new unit is senior member of a 4-company team, with RCA as principal associate, and Hoffman Electronics Corp. and Hughes Aircraft Co. as principal subcontractors. Communication Systems will have headquarters in Paramus, N.J., and be headed by Ellery W. Stone. A week ago (Vol. 15:15), Philco Corp. won a contract for $18,715,000, for the first phase of Project Quick Fix, an interim 480-L modernization program.

Buying Index of Distributors (BID) is a new EIA service for manufacturers who sell through electronic parts & sound distributors. As organized by EIA's distributor relations committee under pres. J. A. Milling of Howard W. Sams & Co., BID will give manufacturers a semi-annual county-by-county barometer of overall sales, sales by product, marketing indices by class of business. Copies of a booklet describing the service are available from the EIA marketing data dept., 1721 DeSales St. NW, Washington, D.C.

Often-maligned TV servicemen may get some professional help from EIA's service committee in techniques of customer relations, merchandising and expense controls. Under a plan outlined by committee chairman Kenneth H. Brown, Westinghouse TV-radio div. service mgr., material in non-technical phases of the service business will be supplied by EIA members and distributed to all interested servicemen, who already are supplied with technical information about products.

Bell Labs will build $20 million lab at Holmdel, N.J., to meet the expanding need for communications research, AT&T pres. Frederick R. Kappel told 12,000 people gathered in Kingsbridge Armory in the Bronx April 15 at the world's largest stockholders' meeting. He said the new facility will provide work space for 1500 people and occupancy will begin late in 1961. Bell Labs now employs nearly 11,000 people in 18 locations.

Matched audio output tubes for hi-fi push-pull amplifiers are now being marketed by CBS-Hytron in packages of 2. Types included are 6BQ5, 6V6GT, 5881 & 6550.

Finance

CBS ELECTRONICS FORMED: CBS-Hytron becomes CBS Electronics on July 1, and a $5 million expansion program will go into effect, including a new 160,000-square-ft. manufacturing plant for semiconductors. Announcement of the latest CBS expansion in the electronics field came from Dr. Frank Stanton, pres., at the annual stockholders' meeting in N.Y. April 15.

Dr. Stanton predicted a bright future for CBS' new division (which also moves into the phonograph field with the launching of new lines in June, manufacturing Columbia phonos formerly made to order by outside companies) and for the electronics industry, which he predicted would grow from annual sales of a little less than $13 billion in 1958 to well over $26 billion in 1968. Other highlights of his report:

TV network: Scored "higher earnings in the first quarter of 1959 than in the first quarter of 1958." The public now "spends 18% more time watching CBS-TV programs than those of its nearest competitor."

Stations division: "Each of our stations is number one in its market in sales and, with the exception of WCAU Philadelphia which we took over only 6 months ago, is first in audience popularity."

Overseas activity: "To facilitate our expanding foreign operations" CBS has established 2 overseas branches, CBS Europe in Zurich & CBS Ltd. in London. And some 500 overseas TV stations "from Hamburg to Hong Kong" are providing "great possibilities" for export sales of CBS-represented film shows.

CBS Radio division: Was "also profitable in 1958 and will be so again in 1959," mostly from the network's 7 o&o outlets. The network's "program consolidation plan" has resulted in a 29% increase in the CBS network radio audience in 1959.

Columbia Records division: Earnings & sales "substantially ahead of the first quarter of 1958"; stereo record sales moving well; and the Columbia LP record club listing over a million members were given as reasons "to be very optimistic."

CBS Labs: Showed "a modest profit" last year, and expects to earn more this year. It is now involved in "many interesting & significant projects."

As usual at CBS stockholder gatherings, minority holders—notably Wilma Soss, as well as singer Gloria Parker and music publisher Barney Young—provided a running sideshow of semi-relevant questions, finally prompting chairman William S. Paley to term the Parker-Young performance "a program of harassment, not in the interests of CBS."

Philco 4¼% convertible subordinated debentures totalling $22 million were put on the market last week by a group headed by Smith, Barney & Co. The debentures are due in 1948 at par and accured interest. On or before April 15, 1969, they are convertible into common at $33⅓ a share, or after that date at $40 a share.

Sylvania pres. Robert E. Lewis said he expects the General Telephone subsidiary to have 1959 sales totaling more than $400 million, vs. $333.2 million in 1958. He added: "Earnings ought to be appreciably better than in 1958."

Microwave Assoc. will split its stock 2-for-1, effective as of May 1.

Dominion Electrohome Industries Ltd., large Canadian TV-radio-appliance manufacturer, reports a steep increase in profit and an all-time sales high for 1958. The company is issuing 12,101 new common shares to stockholders for $25 each on the basis of one additional share for each 10 held. At the April 29 annual meeting, directors will propose a 3-for-1 stock split. A prospectus by Dominion Securities Ltd., Toronto, states that the company's dollar volume represents about 11% of the Canadian TV set market and 9-10% of the portable & table-model radio market. Dominion Electrohome is currently test-marketing its hi fi in the U.S. through Campbell's Music Store in Washington and plans further exports to U.S. For the year ended Dec. 31:

	1958	1957
Sales	$15,421,250	$14,537,238
Net earnings	551,957	319,719

GE's first-quarter earnings were 7% higher than the same 1958 period and, except for first-quarter 1957, were the highest initial-period profits in the company's history. Sales were up 1%. Chairman Ralph J. Cordiner reported that GE's defense business was continuing at a high level, partly because of the increased proportion of electronic & electrical content in military equipment. He predicted a continued improvement. For 3 months ended March 31:

	1959	1958
Sales	$976,568,000	$964,966,000
Net earnings	52,778,000	49,184,000
Earned per common share	60¢	56¢
Average common shares	87,681,422	87,396,796

Cohu Electronics reports a profit for first quarter 1959 after operating at a loss for 1958. The report for the year ended Dec. 31:

	1958	1957
Sales	$5,628,698	$5,428,093
Net income (loss in 1958)	(1,623,987)	190,077
For 3 months to March 31:	1959	1958
Sales	$2,126,000	$1,005,000
Net income	180,000	not avbl.

American Electronics, after a $2 million loss in 1958, moved into the profit column for the first quarter of 1959. The report for the year ended Dec. 31:

	1958	1957
Sales	$17,396,064	$17,908,135
Net profit (loss in 1958)	(2,285,826)	603,650
For 3 months to March 31:	1959	1958
Sales	$ 4,500,000	$ 4,497,695
Net income	100,000	13,669

P. R. Mallory & Co. reports first-quarter earnings more than double 1958's comparable figure, and sales up 25%. For 3 months ended March 31:

	1959	1958
Net sales	$20,511,471	$16,147,142
Net income	978,518	434,721
Earned per share	66¢	27¢

Raytheon reports a sharp upturn in sales & earnings in 1959's first quarter. For 3 months ended March 31:

	1959	1958
Sales	$109,155,000	$80,393,000
Net earnings	2,293,000	1,734,000
Earned per share	71¢	58¢
Shares outstanding	3,215,099	2,981,789

Common Stock Dividends

Corporation	*Amt.*	*Payable*	*Stk. of record*
AB-PT	$0.25	Jun. 15	May 22
Avco Corp.	.10	May 20	May 1
Dom. Electrohome (Can.)	.30	May 22	May 7
Electr. Investment Corp.	.03	May 29	May 1
Gen. Tel. & Electronics	.50	Jun. 30	May 19
Magnavox	.37½	Jun. 15	May 25

Admiral's Improvement: Admiral stockholders were given a bright picture of sales & profits in the first 1959 quarter by pres. Ross D. Siragusa at the annual meeting in Chicago. Adding that "profitable" earnings figures would be released shortly, he held to an earlier prediction that the year would yield 2½ to 3 times better than 1958. (In the first quarter of 1958, the company suffered a net loss of $91,977, but the year ended with earnings of $1,375,017).

Admiral's TV set shipments were up 37% compared to the 1958 quarter, although other set makers generally underwent a sales decline, Siragusa asserted. Radio and stereo hi fi increased 55% in shipments, and appliances, excluding air conditioners, increased 20%. Conditioners will improve this quarter, Siragusa forecast.

He repeated his concern over imported Japanese radios (Vol. 15:13), noting that Nipponese manufacturers are predicting a 30% to 60% increase for 1959—over the estimated 2 million shipped in last year.

Wells-Gardner's first-quarter earnings rose to about 16¢ a share from 14¢ during the 1958 period, according to treas. W. V. Bennett, who credited the improvement to a pickup in TV-radio sales, particularly by mail-order houses for whom the company makes sets. He said sales to April 3 totaled about $5 million vs. $3,234,000 in the same period last year, and the backlog of unfilled orders rose to $6,076,000 from $3,686,000 a year ago.

Paramount Pictures Corp.'s consolidated net earnings from operations for the year 1958 show a drop, according to a preliminary estimate by the company. Earnings were 20¢ less, on fewer shares, than in 1957. Total consolidated income is greater, and includes $7,987,000 of "special items" after taxes, derived principally as profit on disposal of old feature films to TV.

The total consolidated income for 1957, noted below, is remainder after reduction of $642,000, representing adjustment of investment in an affiliated company. No breakdown has been given for KTLA or other TV activities. For year ended Dec. 31:

	1958	1957
Consolidated income	$12,554,000	$4,783,000
Cons. net earnings	4,567,000	5,425,000
Earned per share	$2.60	$2.80
Shares outstanding	1,755,888	1,939,716
For 13 wks. ended Dec. 31:		
Consolidated net earnings	$760,000	$1,188,000
Earned per share	43¢	61¢
Shares outstanding	1,755,888	1,939,716

Storer Bcstg. Co. reports a 36% increase in net earnings for first quarter 1959, as compared with the 1958 period. The 1959 quarter includes results of operations of WITI-TV Milwaukee, acquired in Dec. 1958. For 3 months ended March 31:

	1959	1958
Net earnings	$1,024,183	$ 751,204
Earned per share	41.4¢	30.4¢
Shares outstanding	2,474,750	2,474,750

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

Admiral. Carl E. Lantz exercised option to buy 3600, holds 3600.

American Bosch Arma. F. Wm. Harder bought 1500, holds 10,000.

AB-PT. James G. Riddell bought 1000, holds 1980.

AT&T. E. Hornsby Wasson acquired 16, holds 162.

Ampex. James E. Brown bought 100, holds 225.

Amphenol-Borg. B. C. Booth exercised option to buy 1034, holds 1300. Harold R. Egenes exercised option to buy 800, holds 1333. Lester M. Grether exercised option to buy 1000, holds 1000.

Arvin Industries. Orphie R. Bridges sold 600, holds none.

Belock Instrument. Jack J. Fischer sold 1000, holds 35,326.

CBS Inc. Louis G. Cowan bought 721, holds 1648.

Columbia Pictures. Charles Schwartz sold 1200 through partnership, holds 10,442 in partnership, 76,287 in Fico Corp., none personally.

Electronics Corp. of America. Robert H. Montgomery sold 300, holds none. John F. Power bought 500, holds 1000. John F. Rich sold 600, holds none.

Emerson. Dorman D. Israel sold 1418, holds 4510.

Filmways. John B. Poor sold 4300, holds 8020.

GE. Ralph J. Cordiner bought 4500, holds 16,130. Wm. Rogers Herod sold 500, holds 7976. Robert Paxton sold 3225, holds 18,277. C. K. Rieger sold 1725, holds 4334. Harold A. Strickland exercised option to buy 2000, holds 2846.

Globe-Union. Ralph W. Conway bought 200, holds 1400.

Guild Films. C. W. Alden Jr. bought 50,000 from issuer, holds 50,000. John J. Cole bought 4000, pledged 34,000 as collateral for loan which were sold by lenders because of inability to meet margin calls, holds none. Gerald Dickler bought 10,000 from issuer, holds 10,000.

Indiana Steel Products. A. J. Astrologes sold 800 through joint tenancy, holds 50 in joint tenancy, none personally.

International Resistance. C. D. Vannoy sold 400, holds 20.

ITT. Charles D. Hilles Jr. bought 8000, holds 11,232. Robert McKinney bought 1400, holds 28,400 personally, 3000 in trust.

Litton Industries. David Ingalls sold 3000, holds 3153. Charles B. Thorton disposed of 184 through partnership through exercise of option by employes, holds 12,530 in partnership, 126,330 personally.

P. R. Mallory. F. E. Head sold 100, holds 800.

National Theatres. E. C. Rhoden sold 9650 through Precision Holding Co., holds none in Precision Holding Co., 1325 in Boot Hill Investment Co., 6000 in Rhoden Investment Co., 26,800 personally.

Paramount Pictures. Louis A. Novins acquired 2291 through exchange of 27,500 Telemeter Corp. shares bought through exercise of option, holds 2291.

RCA. Charles R. Denny acquired 188 through incentive plan, holds 1018.

Raytheon. Ray C. Ellis sold 100, holds 2341. Ivan A. Getting sold 2500, holds 243. Paul F. Hannah exercised option to buy 1346, holds 2765. David R. Hull exercised option to buy 450, holds 4000. Stanley P. Lovell bought 337, holds 500.

Skiatron Electronics & TV. Frank V. Quigley sold 100, holds 435. Kurt Widder sold 2500, holds 4000.

Storer. Abiah A. Church bought 100, holds 213.

Sylvania. Bennett S. Ellefson exercised option to buy 1063, holds 1282. Colman H. Pilcher bought 114, transferred 54, holds 374. A. L. B. Richardson exercised option to buy 1000, holds 1710. Howard L. Richardson exercised option to buy 1056, holds 1993.

TelePrompTer. Walter Hirshon sold 5000, holds 1000.

Texas Instruments. S. T. Harris sold 370 through trust, holds 370 in trust, 17,904 personally.

Trans-Lux. Harry Brandt bought 1200, sold 100 through Harry Brandt Foundation, holds 168,300 personally, 17,380 in Harry Brandt Foundation, 17,600 for wife, 200 in Bilpam Corp., 1000 in Brapick Corp., 1000 in Marathon Pictures Corp., 13,450 in Gusti Brandt Foundation. Richard Brandt bought 1000 as custodian, holds 1054 as custodian, 10,850 personally.

20th Century-Fox. Robert Lehman sold 200, holds 23,600.

Westinghouse. Bruce D. Henderson exercised option to buy 300, holds 1118. James H. Jewell sold 1000, holds none. W. Watts Smith exercised option to buy 2000, holds 2015. Tom Turner exercised option to buy 200, holds 2325.

Loew's Inc., recently split from theater-owning Loew's Theatres Inc., will change its name to Metro-Goldwyn-Mayer Corp., subject to stockholder approval, pres. Joseph R. Vogel announced. He said the firm had consolidated net income of $5,749,00 ($1.08 a share) for 28 weeks ended March 12—preceding the split-up of the 2 companies—as compared with $509,000 (10¢) for the comparable 1958 period. For the 1959 period, the present Loew's Inc. contributed $4,798,000, Loew's Theatres $951,000.

Hazeltine Corp. directors proposed a 2-for-1 stock split subject to approval by stockholders meeting June 10. The split shares would be distributed about July 1 to holders of record June 22. The proposal would increase authorized common to 3 million from the present 1.5 million, of which about 749,000 are currently outstanding.

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The authoritative newsletter for executives of TV and associated radio and electronics arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

FCC ALLOCATIONS PHILOSOPHY—THE FULL STORY: FCC's statement of its TV allocations policy & plans, released by Senate Commerce Committee last week, is such a significant document that we've reprinted it in full as a Special Supplement herewith. It's the result of the most concentrated & serious effort on part of Commission on any subject in recent years—and we urge you to read it carefully and keep it on hand for continuous reference in critical months to come.

Statement embodies conclusions already reported (Vol. 15:15-16), but to recapitulate, FCC plans to:

(1) Seek the "ideal" long-range (perhaps 10-year) solution—acquisition of 38 more vhf channels from other services, principally military, to provide a 50-channel system giving minimum of 5 vhf channels to each major market.

(2) Provide "interim" relief by adding Ch. 2-13 stations in certain "critical" markets—cutting co-channel separations where necessary.

(3) Ask Congress to prohibit interstate shipment of receivers that can't get all TV channels, old & new, when final decision on allocations is made.

Commission does thorough job of presenting its reasons for the foregoing and it elaborates on each allocation solution studied:

(1) 50-channel vhf system including present 12.

(2) 50-channel vhf starting at Ch. 7, dropping Ch. 2-6.

(3) 25-channel vhf starting at Ch. 7, dropping Ch. 2-6.

(4) Present setup—12 vhf, 70 uhf channels.

(5) 70-channel all-uhf.

"Within the next few months," FCC hopes to find out whether it can get more vhf from other sources. Meanwhile, it's determined to go ahead with the "interim" vhf drop-in concept.

Identity of cities intended for vhf drop-ins is the most eagerly awaited factor in the picture—the immediate dollars-&-cents question. However, Commision is by no means sure which cities will be picked. All it says in statement is this:

"Among 103 top TV markets there are 36 with less than 3 vhf or 3 uhf stations now in operation or anticipated. Many of these are numbered among the nation's largest population centers, such as Hartford-New Haven, Grand Rapids-Kalamazoo, Birmingham, Providence, Dayton, Toledo, Syracuse and Rochester." But we're informed that "there's no magic in the figure 36" and that Commission may need several weeks to come up with specific drop-in cities.

Sen. Magnuson (D-Wash.), chairman of Commerce Committee, hadn't studied FCC statement, offered no comment. But his House counterpart, Rep. Harris (D-Ark.) was quick to throw cold water on at least part of FCC's proposals. He said that 25 channels, rather than 50, are probably enough and the Congress shouldn't force receiver makers to produce only all-channel sets. He has his own spectrum study in the works, has been dickering with White House in effort to get military to give him data on secret military uses of spectrum space. He has also been trying to find top-grade man to head investigation.

Harris can probably kill a set-control bill if he chooses but he may not have much to say if FCC & military work out a spectrum exchange. Nor is he likely to figure importantly if Commission orders vhf drop-ins—something entirely within its control.

Though Magnuson hasn't said anything, it's quite likely he'd go along with drop-ins, at least. His committee has urged that course, and as recently as Jan. 12 (Vol. 15:2) his special counsel Kenneth Cox re-endorsed the technique in his report on small-town TV problems.

Assn. of Maximum Service Telecasters, currently the strongest opponent of vhf mileage cuts, was quick to react, and called special board meeting in Washington for April 25-26.

Manufacturers don't seem too worried about FCC's set-control proposal (see p. 20), though Commission suggests not only that they be required by law to produce all-channel sets but that FCC be empowered "to set reasonable standards in the public interest with reference to the quality of the receivers."

Senate hearings on allocations aren't likely to start before late May—because committee has very heavy agenda and because FCC Chairman Doerfer leaves for International Conference on Telephone & Telegraph in Tokyo April 30, returns May 17.

FCC'S BURST OF ACTIVITY—THE BACKGROUND: There's a reason for FCC's current flood of major decisions—TV allocations policy, network regulation, boosters, CATV, AM application processing, suggested legislation, etc. It stems from a marked increase in Commissioners' willingness to give & take, to compromise, to present a strong front, to squelch criticism of Commission stalling.

We don't know why this spirit of "accommodation" has developed at this time. But it's there and it produces decisions. We do know that Sen. Pastore (D-R.I.), chairman of Commerce Committee communications subcommittee, last year said something that has stuck in Commissioners' minds. In hearings on allocations problems, the excitable little Senator exclaimed: "Don't you people ever compromise on anything? If we didn't compromise up here we'd never get anything done."

Anyway, there's action nowadays. In the process, FCC is making both friends & enemies—but it's losing its reputation for sitting on problems.

MIXED FEELINGS ON OPTION-TIME PROPOSAL: FCC poses a dilemma for network affiliates in its new proposed rules to cut into networks' option-time programming, issued last week along lines planned (Vol. 15:15). While new rules offer enticing prospect for more station-sold time in prime hours, they also offer threat of generally eroding the vital network service.

In testimony to FCC (Vol. 14:16), special affiliate groups fought vigorously to preserve option time, but some affiliates may now find the new revenue potential difficult to resist. It's presumed that networks will again insist that cuts in option time will jeopardize networks' programming, while reps and independents will applaud Commission move.

Full text of Commission's proposal, included herewith as a Special Supplement, spells out precisely what is intended and why. But, to summarize, FCC says proposals "are designed to improve the competitive position of other groups affected by option time, and the freedom of program selection of a station under its affiliation contract, while maintaining the essential features of the option practice which the Commission has held to be reasonably necessary to the successful conduct of network operations and in the public interest." Commission requests parties to file comments by June 22 on following specific changes:

(1) Cut option time from 3 to 2½ hours for each of the 4 segments of the day.

(2) Prevent "straddle" programs from having the effect of extending network programming into non-option-time periods.

(3) Provide more flexibility to the advance notice a network must give affiliates to exercise its option. Present minimum is 8 weeks; under proposal, it would be 4-13 weeks, depending on circumstances.

(4) Give stations right to reject network programs "already contracted for" in addition to those only "offered."

(5) Broaden stations' right to substitute programs "of greater local or national importance" for network programs.

Commission also invites comments on radio option time—a subject which it hasn't studied yet. Decision was made by fairly good-sized majority. Only Comr. Hyde dissented completely, while Comr. Craven dissented in part and Comr. Ford concurred expressing concern about legal problems involved.

OUR REPORT ON SPECIALS: As many as 175-200 shows in the "special" category will be poured into America's living rooms before next spring, our own checkup of all major program sources indicates. Sales rivalry among networks & independent packagers concerning specials during current spring season is at a peak, with network & program salesmen armed with the longest list to date of special attractions. We have put the list together for you, starting on p. 8.

Gross talent cost total may top $40-$45 million on available specials, talent merchants tell us. Once, a show that cost $100,000 for talent was considered a major deal. Today, shows with price tags of $200,000 & up are common, with several soaring into $500,000 class.

Everybody's in the act among the networks on specials. NBC-TV, which is talking unofficially of "100 specials this season," is likely to have the season's longest list. CBS-TV is expected to run at about half that total, with ABC-TV carrying remainder.

Most striking gain in special shows is at ABC. This season, the network aired only 2 that really matched general industry conception of specials: Minnesota Mining's Art Carney Meets "Peter & The Wolf" and "The Sorcerer's Apprentice," and Oldsmobile's two 60-min. shows with Bing Crosby. Next season, ABC is planning at least 12, and expects another dozen when current program plans jell.

Sponsors have a wide choice of specials for upcoming season. There are adaptations of musicals, such as CBS-TV's "Babes In Arms," Desilu's "Song of Norway," Paul Gregory's "Viva" (but not before 1960), MCA's "Happy Hunting" and "Oh, Captain," and William Morris' "Babes In Toyland." There is a boom in the "An Evening With . . ." format, with names like Debbie Reynolds, Judy Holliday, Sammy Davis Jr., Doris Day, Jimmie Durante, Ray Bolger, Herb Shriner and TV-holdout Marlene Dietrich being discussed. There are revues, straight plays, and even musical science-fiction.

Packager production of special shows is broadening, our checkup finds. When the trend started—with NBC's "spectaculars" a few seasons back—creation was confined primarily to networks and a few package houses close to the nets. Now, telefilm companies like NTA, Screen Gems and ITC are mapping specials, as are smaller talent agencies and independent producers like George Gruskin & Martin Manulis.

Biggest single sponsor order for specials is from Ford, which has booked 39 shows (including repeats) from MCA and will air it on NBC for total cost (time & talent) of more than $15 million. Other heavyweight orders: Pontiac's $4 million schedule of 8 specials, General Mills-Westclox lineup of 7 taped adaptations of MGM properties, which may top $2.5 million in talent costs.

LACK-OF-PROGRESS REPORT ON PAY TV: Unless they have some well-concealed surprises up their sleeves, promoters of pay TV were playing it quiet last week—one month after FCC's 3rd report (March 23) inviting them to apply for one system-per-market tests to prove feasibility of subscription TV programming (Vol. 15:13).

We called pay-TV roll. Found promoters present & accounted for. We also found them non-committal and/or secretive—as usual—about what they may have in mind for waiting FCC & public. None would say when he'd make move to show what he could do to bring on new era for TV. Only one would go so far as to designate his testing-ground choice in event he does proceed to ask FCC to authorize demonstration. Here's what tight-lipped, close-to-chest promoters told us:

Zenith's Pieter E. vanBeek (Phonevision asst. to pres. Hugh Robertson): "We have taken a look at this 3rd report of the FCC. Our people are still studying it. When we reach a decision, I am sure there will be an announcement, but I can't comment on that now."

Teco's S. I. Marks (pres. of Zenith's Phonevision promotion auxiliary): "Still under study. No report. That's all now."

Skiatron's Matthew Fox: "We'd rather not comment on anything. I don't want to be rude, but we don't want to discuss it. Until we're ready to announce our plans, we don't want to talk about them."

International Telemeter's Louis A. Novins: "We're still in the process of analyzing the situation. I have no other comment besides that."

Teleglobe's Solomon Sagall: "Negotiations have been in progress. There is a lot of preparatory work. I think before long you will find that despite all the FCC restrictions & Congressman Harris [who leads House opposition to pay TV as Commerce Committee chairman], there will be some developments."

Philadelphia Bcstg. Co. (spokesman for WSES, holder of Ch. 28 CP and lone applicant last year for tests under earlier FCC conditions): "We're working on it. We first proposed Skiatron for Philadelphia, and Philadelphia is where we'll be, but Skiatron is out now. We're huddling with a leading electronics manufacturer about an entirely new system which would be supplied to us—and not on a franchise basis. But there's a good deal to be done before we announce anything, and we aren't saying who the manufacturer is or what kind of system it is."

The FCC

MACK LOSES SOME POINTS: Defense suggestions that a prospective govt. witness needs psychiatric attention —and that the White House forced Richard A. Mack's resignation from the FCC—helped to enliven a dull third week of the Miami Ch. 10 conspiracy trial in Washington's Federal District Court.

Most of last week's trial time was taken up with arguments & counter-arguments on motions by ex-FCC Comr. Mack's counsel Nicholas J. Chase that: (1) A psychiatrist should be employed at govt. expense to examine pres. A. Frank Katzentine of WKAT Miami, loser in a 4-way contest for the Ch. 10 award, in the event the Govt. calls him as a witness against Mack and co-defendant Thurman A. Whiteside. (2) Ex-Presidential asst. Sherman Adams and White House counsel Gerald Morgan should be summoned—also at govt. expense—to say whether they forced Mack to quit FCC.

Blaming Katzentine for starting Mack's troubles after Ch. 10 was lost to National Airlines' WPST-TV, Chase told Judge Burnita S. Matthews that Katzentine "suffers from personality disorders which may affect his reliability & credibility as a witness."

The testimony of Adams & Morgan will be needed, Chase said, to prove that Mack's resignation was forced without a hearing—and that it didn't indicate he had any guilty feelings about his vote for National Airlines.

In the end, Judge Matthews rejected both motions, which were offered by Chase with the explanation that Mack himself can't afford to pay for a psychiatrist's services or to subpoena the White House witnesses. She said Chase's allegations about Katzentine were unsupported, but that he might renew the motion if govt. prosecutor J. Frank Cunningham does call Katzentine to the stand. Cunningham said he didn't think he would. As for the Adams-Morgan motion, "we are not here to go into Mr. Mack's resignation," Judge Matthews said. Whiteside's counsel Richard H. Hunt said he'd subpoena Adams & Morgan anyway—at Whiteside's expense.

The week's slow proceedings otherwise were taken up by testimony about Mack's financial affairs & telephone calls while he was an FCC member. Mrs. Frances Kreeger, his former confidential assistant, identified a $1600 check which the Govt. claimed was used by Whiteside to help buy Mack's Ch. 10 vote for WPST-TV. Mrs. Myrtle Adams, chief of the FCC audit section, confirmed that 32 calls from Mack's office to Whiteside were logged between July 4, 1955 & Sept. 4, 1957—but she added that he'd settled for his personal calls, "so far as I am concerned."

CATV Systems Defined: FCC has officially defined CATV for the first time, in proposed Communications Act amendments sent to Congress to implement the Commission's decision in the long station-CATV fight (Vol. 15:15-16). According to the FCC, a community antenna TV system is "any facility performing the service of receiving & amplifying the signals transmitting programs broadcast by one or more TV stations and redistributing such programs, by wire, to subscribing members of the public." Excluded from the CATV definition are: "(1) Such facilities which serve fewer than 50 subscribers; (2) Such facilities whose service is limited to one or more apartment dwellings under common ownership, control, or management, and to commercial establishments located on the premises; or (3) Facilities used for the distribution, by wire, of programs for which a charge is imposed generally on all subscribers wherever located, and which are not in the first instance broadcast for reception without charge to all members of the public within the direct range of TV broadcast stations." Other FCC-recommended amendments require CATV systems to obtain redistribution authority from originating stations, authorize standards, etc.

FCC's decisions on boosters & CATV (Vol. 15:16) elicit this reaction from Milton J. Shapp, pres. of Jerrold Electronics Corp., manufacturer of CATV equipment, and a CATV system operator: "(1) The Commission clearly states that in authorizing boosters, no consideration can be taken of economic dislocation to existing TV stations. This raises a spectre of booster 'raids' on every established TV market in the U. S. It should rally the entire TV industry in opposition. (2) The microwave decision certainly cannot be viewed as a victory or defeat for anyone. Certainly it is not a defeat for smaller stations, the vast majority of which welcome the extended coverage provided by CATV systems. (3) The recommendation that fringe area viewers may not view a particular program over a particular CATV system unless permitted to do so by the originating station places an unfair restraint upon fringe area viewers who already are at a geographic disadvantage. How, after all, does the cable system viewer differ from an apartment house dweller in metropolitan areas who receives programming over a master antenna system . . .?"

Copies of FCC rules & regulations in the new volume form as announced last Oct. by FCC are now available. In loose-leaf form, the first issue combines 4 rule parts in a single volume titled Vol. V, covers Part 9 (Aviation), Part 10 (Public Safety), Part 11 (Industrial) and Part 16 (Land Transportation). Copies are available from the Supt. of Documents, Govt. Printing Office, Washington 25, D.C. Cost of Vol. V, including subsequent changes and amendments, is $2.50 ($3.50 foreign). The FCC has discontinued its mailing lists for amendments and changes to the rules contained in Vol. V and such rule parts will no longer be sold individually by GPO.

FCC fact-finding hearings in its 25-890-mc allocations proceedings (Vol. 15:14) will open May 25, with RCA scheduled tentatively to start with 15-min. testimony summarizing its written presentation. Next in order: AT&T, U.S. Independent Telephone Assn., Motorola, Electronic Communications Service, National Mobile Radio System.

FCC last week refused to dismiss with prejudice Ch. 70 translator application in San Jon, N.M. and sustained Commission examiner H. Gifford Irion's initial decision (Vol. 15:13) which recommended denial on grounds that the applicant built the facility without FCC permit.

Networks

REPS RAP NET REPPING: To nobody's surprise, the Station Representatives Assn. last week gave enthusiastic endorsement to the proposed FCC rule-making which would take TV networks (meaning CBS & NBC) out of the business of representing for national spot sales any stations except their o-&-o outlets (Vol. 15:5).

Beating the Commission's April 28 deadline for comments by 5 days, SRA said the ban on network repping is needed because: (1) Independent reps suffer "competitive disadvantage" from the practice. (2) "A conflict of interest arises" because networks are much more interested in network sales than in spot.

The 25-page SRA statement argued: "While there are some strong-minded licensees who feel that they can stand up against a request of the networks to act as their national sales representatives, as a general matter the strong bargaining position enjoyed by the networks in the affiliation area makes it difficult for affiliates to reject network requests."

Also: "The networks derive their bulk of revenues from network sales. Although the revenue that comes to the network from the commissions on spot sales is not unwelcome, in the overall picture it plays a small part when measured against the revenues received from network sales. Therefore, the overall objective of the network organization must be to preserve & advance the network sales picture as much as possible . . . a conflict of interest is thus inevitable and whether pressure is applied directly or indirectly, it surely must be felt."

SRA proposed this language for a rule for all but network-owned TV stations: "No license shall be granted to a TV broadcast station which is represented for non-network sales purposes by any person which is a network organization, or which is controlled directly or indirectly by a network organization, or which is under common control with any network organization."

FCC also solicited comments on radio repping by networks (carried on by CBS & NBC but not ABC). SRA urged that a similar rule should be written for radio, that "the conflict of interest that was observed in TV is present even to a greater extent in network radio."

Since the advent of TV, "the tendency has been for network radio to remodel its structure so as to offer an increasingly large number of spot announcements rather than programs for sponsorship," SRA said. "In the process, bargain basement prices have been resorted to. The result has been that many national sponsors who might otherwise have been inclined to utilize national spot radio are attracted to network radio because of the low rates they are offered. Networks frequently sell affiliates' time at rates which are 50% of the lowest rate at which the time of such stations is sold by their own people."

CBS Radio signed WKMH Dearborn as its Detroit area affiliate—along with 5 other Michigan independents—ending its 23-year association with WJR, which dropped CBS because of its PCP plan (Vol. 14:47). Effective May 24, CBS will affiliate with WKMH and WKMF Flint, WKHM Jackson, WSGW Saginaw, WHLS Port Huron & WLEW Bad Axe.

To handle network tape repeats for time-zone problems, AT&T has added 9000 channel miles to its TV cable-microwave facilities, at a cost of $10 million, in the last 2 years. AT&T says it now feeds 632 stations in 414 cities.

NETWORKS SET NEW RATE POLICIES: CBS & NBC now have formalized their "minimum-buy" rates, supplanting the former "must-buy" lists of stations an advertiser must purchase (Vol. 14:49, 15:2). In both cases, the new minimum-buy figures are higher than the total for all the former must-buy stations. ABC, which never had a must-buy list, has raised its minimum-buy rate correspondingly from $66,000 to $80,000 in its new Rate Card No. 8, effective this month.

In no case was there an actual rate increase—merely an increase in the dollar volume of network time a sponsor must buy.

NBC-TV's new "Rate Guide, Spring 1959," due next week, again states that "orders in network time are deemed acceptable" if they reach a $95,000 minimum. NBC-TV's former minimum—based on Class A rates for its old basic network (must-buy) list—was $84,125.

CBS-TV has raised its "discount threshold." New revision of Rate Card No. 14, effective May 1, raises from 20 to 30 the minimum number of "station-hours" an advertiser must buy per week (in a 26-week or longer period) to draw basic 5% discount. Station-hour is unit of time roughly corresponding to number of stations multiplied by hours (half-hours count as 60% of a station-hour).

Small-scale, short-term deals are discouraged. CBS-TV rate card again states that network has right to cancel, on 60-day notice at end of 26-week cycle, any nighttime order "placed for less than 80% of the then current applicable gross time charges." Daytime cutoff is 75%. CBS's Extended Market Plan stations get a boost in the new card. Total Class A hour rate for all is now listed as $3245, with top discount for buying the whole list 25%.

In a move designed to boost daytime sales, ABC-TV has established a new combination deal on day-night rates for discounts, which gives the advertiser buying both day & night shows an average 8% discount—up from 6%.

On a related subject, two basic problems cause "error & delay" in handling of network billing, J. Russell Gavin, asst. treas. of ABC-TV, stated to the Rye, N.Y. workshop meeting of Assn. of National Advertisers on April 25. First headache: "Need for closer co-ordination between agency account personnel & network sales service, clearance and accounting departments." Other: "Delays in reporting by network affiliated stations." Network billing problems are far from solved, according to the ABC executive, who candidly told ANA admen that "our network has not as yet successfully met much over 70% of the problems this complex type of billing presents."

RCA Stays Out of NSRC: The National Stereo Radio Committee will have to get along without RCA and CBS. RCA research & engineering v.p. Douglas H. Ewing last week wrote NSRC administrative committee chairman Dr. W. R. G. Baker, explaining, in effect, that FCC's official blessing and EIA's legal interpretation (Vol. 15:12, 14-15) aren't sufficient assurance that the company won't be letting itself in for anti-trust difficulties if it rejoins the industry-wide group.

"After reviewing our position," Ewing's letter said, "we have concluded there is nothing which has been brought to our attention which would lead us to change our original decision. However, should we on further consideration reach a different conclusion, which I think is most unlikely, I shall be in touch with you."

Two weeks ago, CBS—which had never been an NSRC member—decided to stay out (Vol. 15:16).

Network Television Billings

February 1959

(For Jan. report, see TELEVISION DIGEST, Vol. 15:14)

ANOTHER RECORD MONTH: February network TV billings hit an all-time high for that month, TvB reported last week. Gross time charges were $48.9 million, compared to the $44.6 million of Feb. 1958—rise of 9.5%.

ABC-TV continued to show the greatest percentage improvement over 1958, a gain of 18.7%, which CBS, with a 7.2% rise, and NBC with 7.5%, were almost neck-and-neck in their rate of increase. The Jan.-Feb. 1959 period went over the $100-million mark, surpassing the comparative period in 1958 by 7.1%.

NETWORK TELEVISION

	Feb. 1959	Feb. 1958	% Change	Jan.-Feb. 1959	Jan.-Feb. 1958	% Change
ABC	$10,024,460	$ 8,441,988	+18.7	$ 20,671,538	$17,610,597	+17.4
CBS	20,806,220	19,410,741	+ 7.2	42,935,468	41,504,756	+ 3.4
NBC	18,036,964	16,785,315	+ 7.5	37,336,817	35,129,426	+ 6.3
Total	$48,867,644	$44,638,044	+ 9.5	$100,943,823	$94,244,779	+ 7.1

1959 NETWORK TELEVISION TOTALS, BY MONTHS

	ABC	CBS	NBC	Total
January	$10,647,078	$22,129,248	$19,299,853	$52,076,179
February	10,024,460	20,806,220	18,036,964	$48,867,644

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

NETWORK ACTIVITY

ABC-TV

Purchase	Sponsor & Agency
Diamond Head, 60-min. series to debut in fall, Wed. 9-10 P.M.	American Chicle, Carter Products and Whitehall Labs (all through Ted Bates & Co.)
Top Pro Golf sports film series (Mon., 9:30-10:30 P.M.) starting June 8 through Aug. 24.	General Tire & Rubber Co. (D'Arcy Adv.)
Co-sponsorship of *Leave It to Beaver*, effective July 2, when program moves to 9-9:30 P.M.	5-Day Labs. (Grey Adv.)
Man from Black Hawk, film series to debut Oct. 9 (Fri., 8:30-9 P.M.)	Miles Labs. (Wade) and Reynolds Tobacco (Wm. Esty Co.)
Participations in *American Bandstand*, eff. July 31, and *Jubilee, U.S.A.*, eff. Aug. 15.	Polk Miller Products (N. W. Ayer).

CBS-TV

Purchase	Sponsor & Agency
Fifth year renewal of *Red Skelton Show* (Tues., 9:30-10 P.M.) eff. next fall.	Pet Milk (Gardner) S. C. Johnson (Foote, Cone & Belding), alternates.
Half-hour all-network sponsorship of *Playhouse 90* effective May 7.	Renault Inc. (Needham, Louis & Brorby).

NBC-TV

Purchase	Sponsor & Agency
Participations in *Today* and *Jack Paar Show*, totaling $2.8 million in gross billings in new and renewal orders.	New orders by: Bristol-Myers (BBDO); Reardon Co. (D'Arcy); Berkshire Knitting Mills (Ogilvy, Benson & Mather); Dow Chemical (MacManus, John & Adams); Diamond Gardner Corp. (Doremus & Co.); Pioneer Industries (Doner & Peck); Wash. State Potato Comm. (Ryan & Son). Renewals by: Alberto-Culver (Wade); Kayser-Roth Corp. (Daniel & Charles); Sandura (Hicks & Greist); Wagner Mfg. (Stone Adv.); Studebaker-Packard (D'Arcy); Niagara Therapy (Geo. Mallis).
Bat Masterson (Thurs. 8-8:30 P.M.) eff. next fall.	Sealtest (½) (N. W. Ayer) ½-sponsorship unassigned.

Trendex is adding 5 cities to its present list of 20. Reason: the growth of the number of 3-network markets, affording "equal viewing opportunity," and thus a measure of relative program popularity. New cities are Pittsburgh, Peoria, Little Rock, Richmond and Tulsa. First Trendex report (Oct. 1951) used only 10 interconnected markets expanding to 15 in 1955 and 20 in 1958.

Net TV's Top Agencies: During 1958, network TV had 15 prize customers: agencies which billed over $10 million each in gross network time. Representing only 11% of all network agencies, they nevertheless accounted for 70.5% of total network time sales. Ted Bates rose from 4th place in 1957, to become the largest network TV customer, spending $52.3 million (gross time) for its clients.

The report extracted by NBC Research from LNA-BAR data, also found that 136 agencies placed 1958's record net TV billings of more than half a billion. The top 8 network agencies accounted for better than half this amount. Young & Rubicam dropped from top spot in 1957 to 3d place. J. Walter Thompson held its No. 2 position.

The report also shows the 1958 total divided thusly among networks: ABC-TV, $103 million (18.2%). CBS-TV, $247.8 million (43.7%). NBC-TV, $215.8 million (38.1%).

The top 15 network TV agencies in 1958 gross time network billings:

	(Add 000)	%
1. Ted Bates & Co., Inc.	$ 52,331	9.2
2. J. Walter Thompson Co.	49,864	8.8
3. Young & Rubicam, Inc.	49,439	8.7
4. Benton & Bowles, Inc.	36,880	6.5
5. BBDO	35,055	6.2
6. Dancer, Fitzgerald & Sample	32,256	5.7
7. McCann-Erickson Inc.	27,605	4.9
8. Leo Burnett & Co., Inc.	24,873	4.4
9. William Esty Company, Inc.	17,097	3.0
10. Compton Advertising, Inc.	15,117	2.7
11. Kenyon & Eckhardt, Inc.	13,725	2.4
12. Lennen & Newell, Inc.	13,645	2.4
13. Foote Cone & Belding	10,713	1.9
14. Grant Advertising, Inc.	10,623	1.9
15. Parkson Advertising Agency	10,174	1.8
Total Top 15 agencies	$399,397	70.5
Total Network TV	$566,590	100.0

ABC-TV Studio Expansion: A "push-button" theater-studio in N.Y., and a new TV services building in Hollywood, are part of ABC-TV's latest building & engineering developments announced by Frank Marx, ABC v.p. in chg. of engineering. The studio, located in the network's W. 66th St. plant, will feature "specially designed seating, walls and ceiling completely mechanized to facilitate rapid removal when the 9,500 sq. ft of space are needed as a studio." Three control booths will be added, as well as transistor dimmers.

The Hollywood building, planned for completion in about 6 months, will provide facilities for building sets, a paint shop and scenery storage. Also in Hollywood, ABC's theater-studio will be remodeled into a permanent theater. Seating will be expanded from 290 to 450 persons, and stage area increased to 65 by 90 ft. A new studio for KABC-TV Los Angeles local shows is also planned, releasing space for origination of live network programs.

The N.Y. & Hollywood studios will also be equipped with special effects amplifiers to "provide more than 100 different electronic effects." Present units produce 35-40.

* * * *

CBS Television City in Hollywood will undergo an expansion program beginning this summer, to add office space for production staffs, says CBS-TV pres. Louis G. Cowan. The building, now consisting of a full first floor and partial 2nd and 3rd floors, will be 4 stories in 2 years.

CBS Foundation has contributed $100,000 to Lincoln Center for the Performing Arts, planned 12-acre cultural center in Manhattan, to house the N.Y. Philharmonic and Metropolitan Opera. William S. Paley made the gifts.

Educational Television

TV vs. Homework: Pupils in the Mahtomedi, Minn. (pop. 5500) high school spend nearly 4 times as many hours at home watching TV as they do studying their lessons—but few of them ever dial educational KTCA-TV (Ch. 2) Minneapolis-St. Paul. As reported by U of Minn. TV-radio writing instructor Luther Weaver in the *NAEB Journal*, a survey by Mahtomedi Schools supt. O. H. Anderson of 370 students showed that they averaged little more than 5 hours homework weekly but 19 hours at TV sets. Only one said he watched KTCA-TV "regularly" outside of school, 247 said they never did, the rest reported "occasional" viewing. Most popular TV fare for all, from 7th through 12th grade: ABC-TV's *Maverick*. Most avid TV fan was a 7th grader who devoted 60 hours weekly to it. No moralistic conclusions were drawn by supt. Anderson. He merely observed: "There is no question that TV is exerting a powerful influence . . ."

"Mutual assistance pact" between commercial broadcasters & educators to promote classroom use of TV & radio news programs, panel shows, documentaries, drama —"and even comedies"—was proposed last week by NAB broadcast personnel & economics mgr. Charles H. Tower. Addressing a "business education day" luncheon of teachers & businessmen in Portland, Ore., he said educators should spend "less time carping about the alleged shortcomings of radio & TV and more time taking advantage of the teaching materials that commercial broadcasting has to offer." These materials, Tower said, can be "springboards for critical discussion and creative effort" by students.

Stationless U of Michigan produced its 1000th ETV program this month ("Design for Living" in a 10-part series on *The Public Arts*). Michigan began to develop programs for others—its "kinescope network"—in 1954. Since that time, 51 TV stations (in 21 states, Canada and So. America) have shown its filmed programs. This summer the university will conduct courses at its div. of the National Camp at Interlochen, Mich. in composing & arranging music for TV & movies, and in production for TV, radio & theater.

A Pulse-conducted survey of college & high school teachers enrolled in *Continental Classroom*—NBC-TV's 6:30 A.M. college-level course in atomic-age physics (Vol. 15:16)—finds that 97.5% of the students value the course, and 54.2% are planning to change their teaching methods. The teachers liked the close-ups & demonstrations and the lack of usual classroom distractions when learning by TV.

The invisible ETV audience became visible in Sioux City April 4, when 103 of 111 enrolled students showed up to take mid-term exam in sociology—a 16-week course being aired on Saturdays as a public service by commercial KVTV in cooperation with Morningside College. The students had bought a $6 textbook, and paid the college $30 tuition for the credit course.

Stereo broadcasts by educational KNME-TV (Ch. 5) Albuquerque in conjunction with KHFM-FM there were authorized for 6 months by the FCC last week. The U of N.M. station will use the facilities Mon. 10:30-11:30 p.m.

Sale of 2 ETV series by CBC has been announced: 26 programs of *The Living Sea* to Australian Broadcasting Commission & 12 programs of *Live & Learn* to National Educational Television network.

Specials for the Networks: Scheduled or Proposed

Figures stated are for talent & production only; they do not include ad agency commissions or time charges.

ABC-TV

Package	Sponsor	Price	Date
Two 60-min. shows starring Dick Clark & guests.	American Machine & Foundry (½) Co-sponsorship available		June 14, July 19, 1959
"Kodak Presents Disneyland" 90-min. (produced on location)	Eastman Kodak		June 15
"Art Carney Meets Peter & The Wolf" (taped repeat)	Minnesota Mining		Nov. 1
"Golden Circle," 60-min. music variety	Oster Mfg.		Nov. 25
60-min. musical with Bil Baird Puppets	Minnesota Mining		Nov. 29
Two 60-min. musicals starring Bing Crosby; Bing Crosby Golf Tournament	Oldsmobile		Not set, but probably fall
Six 60-min. musicals starring Frank Sinatra & guests (planning stage; talent not set)	Open		Not set, but probably fall

CBS-TV

Package	Sponsor	Price	Date
"America Pauses," 60-min. music-variety starring Art Carney, Carol Haney, Marian Anderson	Coca-Cola		May 18
Woman, 60-min. daytime shows with Claudette Colbert as hostess; will pre-empt daytime shows, take summer hiatus, return in fall for 4-5 additional shows	Open	Approx. $65,000 per show	May 19, others not set
"Jack Benny Hour," musical comedy guest-starring Julie Andrews	Greyhound Bus Corp. and Benrus Watch		May 23
"Billy Budd," 90-min., live adaptation of Melville classic (cast not set) on *Show of the Month*	du Pont		May 25
"Holiday, USA," 60-min. musical starring Burl Ives	Texaco		June 3
"Cleopatra," 90-min. original by Gore Vidal (cast not set) on *Show of the Month*	du Pont		Not set
"Babes in Arms," 90-min., live, with Judy Garland-Mickey Rooney team proposed as stars	Open	Over $300,000	Late summer
"Victor Borge in Copenhagen," 90-min. special to be taped on location in Denmark, starring Victor Borge; details not set (sponsor's package)	Pontiac		Early fall
Two 120-min. shows produced by Leland Hayward, featuring review of 1959 news & entertainment highlights	Open		Dec. or Jan.
"Detective Story," 90-min. adaptation of Kingsley play, starring Ralph Bellamy	Open	Over $200,000	Not set
"Wonderful Town," 120-min. tape repeat of last season's show starring Rosalind Russell (Screen Gems controls rights)	Open	Approx. $200,000	Not set
Four 60-min. shows in regular *U.S. Steel Hour* series; properties & production firm not set, and producer probably will not be Theatre Guild	U.S. Steel Corp.	$175,000-$200,000 each	Not set, but probably fall-winter

NBC-TV

Package	Sponsor	Price	Date
"Ah, Wilderness!" 90-min. color adaptation of O'Neill play in *Hallmark Hall of Fame* series, starring Helen Hayes, Lloyd Nolan, others	Hallmark Greeting Cards		Apr. 28, 1959
"Roll Out the Sky," 60-min. location profile of a circus in *Kaleidoscope* series	Polaroid (½), co-sponsorship available		May 3
"Dean Martin Show," 60-min. with guests	Timex		May 3

Package	Sponsor	Price	Date
"At the Movies," 60-min. comedy-variety starring Sid Caesar, Art Carney, Audrey Meadows, etc.	Rexall Drug		May 3
"Emmy Awards," 90-min. live location pickup of annual awards	Procter & Gamble, and Benrus		May 6
"Why Berlin," news show with Chet Huntley, 60-min., live & film	Bell & Howell		May 8
"HMS Pinafore," starring Cyril Ritchard, 60-min. special in *Omnibus* series	Open	Approx. $40,000 per ½ hr.	May 10
"Guide to Modern Europe," news show with David Brinkley, 60-min., live & film in *Kaleidoscope* series	Open	Approx. $70,000	May 17
"Bob Hope Show," 60-min. film, starring Bob Hope & guests	Buick div. of Gen. Motors		May 15
"Now & 10 Years from Now," 60-min. live & film	Avco Mfg.		May 24
"The Ransom of Red Chief," 60-min. dramatic show (cast not set)	Rexall Drug		Aug. 16
Series of daytime musical and dramatic shows, untitled and in blueprint stage	Open		Not set, probably late summer
"Moon & Sixpence," 90-min. color video-taped drama starring Sir Laurence Olivier, Judith Anderson, Hume Cronyn, Jessica Tandy, others (may become first show in projected series of Ford Motor specials)	Open	$310,000	Not set, but probably fall
"White House Saga," 60-min. profile of Presidential residence; live & tape (cast not set)	Open	Approx. $150,000	Not set
Two 60-min. music-variety shows starring Jerry Lewis	Open	Over $200,000 each	Not set
Eight shows starring Art Carney (4 90-min.; 4 60-min.) produced by Talent Assoc. Drama and musical variety	AC Spark Plugs and Delco-Remy		Not set
39 shows, various lengths, name guest stars, packaged by MCA	Ford Motor Co.		Not set

NO NETWORK SET

Source	Package	Price
Ashley-Steiner (Representing Bob Banner)	Two 90-min. musicals, one starring Judy Garland; the other, Debbie Reynolds.	Over $300,000
	60-min. or 90-min. "ice spectacular," possibly from Madison Sq. Garden with top skating names.	Not set
	"Jumbo," a 90-min. adaptation of famed 1934 Broadway musical that starred Jimmy Durante; no deal completed for rights.	$500,000 range
	60-min. or 90-min. musical with a fall theme, and possibly starring Meredith Wilson.	Over $300,000
Desilu	"Song of Norway," 90-min. adaptation of musical based on life of Edvard Grieg, with name cast & possibly on tape; no cast set.	Over $350,000
	"Don Quixote," 90-min. adaptation of script property prepared by late Mike Todd (although work is in public domain); may be produced either as straight play, or as musical with Johnny Green score. May be filmed on location in Spain.	Not set
Famous Artists	90-min. musical possibly packaged as anniversary show for major TV sponsor, with William Holden as host.	Over $500,000
Gen. Artists Corp.	"Mario Lanza's Rome," 60-min. or 90-min., starring Mario Lanza in musical tour of Eternal City, in same format as "Chevalier's Paris" of a few seasons ago.	Over $300,000
	Package of 3 60-min. shows to be produced by Perry Como's Roncom Productions, with Como possibly starring in at least one.	$700,000 for 3 shows
	"Idiot's Delight," a 90-min. adaptation of 1938 Sherwood play starring Ginger Rogers.	Not set
	"Evening with Lena Horne," 60-min. or 90-min. musical.	Over $300,000
	60-min. musical variety show starring Gene Autry & other Western entertainment names.	Not set
	"Shubert Alley," a 90-min. salute to theatrical landmark with vignettes of shows, name-star lineup.	Over $350,000

Source	Package	Price
Paul Gregory	Two long-range musicals: "State Fair," the Rodgers & Hart property once filmed by 20th-Fox but with no cast set; "Viva," a musical biography of Pancho Villa. Both would be 90-min. or more, and not on TV before next year or even 1961.	Over $500,000 each
	"Caine Mutiny Court Martial," 90-min. live repeat of 1955 TV success with new cast.	$300,000
	"Web and the Rock," 90-min. adaptation of Thomas Wolfe novel with star cast, possibly Rock Hudson & Joan Crawford.	Over $250,000
	"Marriage-Go-Round," 90-min. TV adaptation of current Broadway comedy, starring Claudette Colbert & Charles Boyer.	$450,000
	"Hollywood Story," a 90-min. salute to old & new movies, with name actresses as hostesses.	Over $250,000
George Gruskin	Four 90-min. specials starring Herb Shriner (co-produced by Gruskin & Shriner) in a variety format blending music, special events; guest stars.	Over $250,000 each
	Series of 10-15 specials of a N.Y. & Hollywood nature, starring Tom Poston, Jo Stafford and Paul Weston in a revue format.	Not set
	90-min. biography of a famous opera star of the past, starring Helen Traubel.	$300,000
	"25 Years From Now," produced by Jerry Stagg; formerly a William Morris package; a 90-min. musical variety one-shot, based on theme of a day in the life of a 1984 family.	Not set
	90-min. original "underseas fantasy," untitled, starring Jimmy Durante, produced by Norman Blackburn & Vic MacLeod. Would be a "book musical," rather than a revue.	Over $300,000
Independent TV Corp.	Series of 8-10 musicals, 90-min. probably on tape, built around "leading Hollywood personalities." Exact packages indefinite, but due for plans session at ITC in early May	Not set
Henry Jaffe Enterprises	Series of 9 "comedy of the month" shows to be picked from list of some 15 plays and musical comedies; typical property & name: "Knickerbocker Holiday," starring Burl Ives.	Over $300,000 each
	"Groucho on Laughter," 60-min. or 90-min., starring Groucho Marx & his views on humor.	Not set
Martin Manulis	"Festival," 60-min. or 90-min. name-star series that may be tape or film. Total of some 8-10 shows are planned for production at 20th-Fox, ranging from original dramas by Rod Serling to one-woman show for Marlene Dietrich.	Not set
	"Gentlemen Prefer Blondes," 90-min. musical TV adaptation of Anita Loos story, & a 90-min. musical based on "Letter to 3 Wives" —both 20th-Fox film properties.	Over $400,000
Mark VII Productions (Jack Webb)	Series of 3-4 filmed 60-min. dramatic shows, starring Jack Webb in variety of roles; Webb will produce & direct; series would constitute Webb's sole TV appearance of season.	Not set
Metro-Goldwyn-Mayer	Series of 90-min. adaptations of MGM film properties with new casts, co-produced on tape with Talent Assoc.; 7 shows currently sold as package to Gen. Mills & Westclox, but series may be extended with MGM properties never produced as movies.	$200,000 to $400,000 each
William Morris Agency	"Aquacade," starring Esther Williams, 60-min. or 90-min. "water ballet" revue. Production details not firm.	Not set
	"Salute to George M. Cohan," all-star 90-min. musical-variety, possibly with Art Carney portraying noted song-and-dance man; may be offered as a July 4th attraction.	Approx. $300,000
	"Babes in Toyland," a live repeat of TV special staged by Max Liebman a few seasons ago; cast not set.	Over $250,000
	"Around the World in 80 Days," 90-min. adaptation of Orson Welles' Broadway musical (1946) rather than Mike Todd movie, all star cast; production by Talent Assoc. highly tentative; depends on release from United Artists and Todd estate of title & other material.	Not set; likely to be high
	Total of 4 Milton Berle shows (2 60-min., 2 90-min.) of musical-variety nature or as musical comedies.	Not set
	Benny Goodman 60-min. musical, possibly for fall; contingent on other Goodman concert commitments; working title: "Tune Up For Fall."	Approx. $200,000

Source	Package	Price
	"An Evening With Sammy Davis Jr." 90-min. musical-variety.	$250,000 range
	"The Big Party," a Goodman Ace package, series of sophisticated musical-variety shows with name-star hostess.	Not set
	Musical showcasing Martha Raye; property not picked, but might be adaptation of a Broadway musical.	Not set
	Musical showcase for Judy Holliday. Might be either a one-woman show or an adapted musical starring her.	Not set
	"An Evening With Ray Bolger," 90-min. musical-variety showcase; probably a revue rather than a book musical.	Not set
Music Corp. of America	"Oh, Captain!" 90-min. live version of Broadway show, to star Jose Ferrer, Rosemary Clooney, Abbe Lane.	Over $300,000
	"Best of Belafonte," 90-min. sole TV appearance of singer for 1959 season; guest stars.	Over $350,000
	Series of 60-min. shows starring Phil Silvers (but not in Bilko role) in musical-variety format.	Approx. $225,000 each
	"Happy Hunting," 90-min. live version of Broadway musical to star Ethel Merman with adaptation by Lindsay & Crouse.	Approx. $375,000
	"Best of American Music" & "Best of Musical Comedy," 2 90-min. musicals starring a name personality and produced by Ken Murray.	Over $300,000 each
	"Mr. Wonderful," 90-min., live version of Broadway musical to star Donald O'Connor.	Over $300,000
	"The Enchanted Cottage," 90-min. adaptation starring Paul Newman & Joanne Woodward.	Over $250,000
	"The Power & the Glory," starring Sir Alec Guinness in 90-min. adaptation of the Graham Greene story; show would mark debut on U.S. TV of the British star.	Over $350,000
	Variety of one-shot musicals, each a separate deal, with such Hollywood names as Cyd Charisse, Doris Day, Peter Ustinov, etc.	$200-$300,000 each
National Telefilm Associates	Series of 90-min. shows, to be produced on tape with Broadway names; various plans, including adaptations of musical comedies & straight plays (such as "Death of a Salesman") have been discussed. David Susskind may be in charge of production, and shows may be offered on "NTA Film Network" as were Shirley Temple films.	Not set
Screen Gems	Tenative series of 90-min. shows, possibly based on Columbia Pictures properties; likely to be live productions, but may be taped at SG offshoot Elliot, Unger & Elliot, N.Y. or Hollywood. In discussion stage only.	Not set
Talent Associates	Series of several major live shows, 60-min. to 120-min. in length, based on original & adapted musicals, straight plays with Broadway names, produced by David Susskind. (in addition to Talent Assoc. commitments with du Pont, Oldsmobile, MGM, etc.)	Approx. $250-$200,000 each
Bud Yorkin	"Passions in Paint," 60-min. or 90-min. show featuring roundup of Hollywood names who are amateur art collectors; paintings would be shown, tied-in with musical-variety format; such names discussed as Dinah Shore, Jack Benny, Red Skelton as guests.	Not set
	"Aesop's Fables," 60-min. or 90-min. musical adaptation of children's stories, possibly starring Jerry Lewis; production details not set.	Not set

TV columnist Harriet Van Horne of the N.Y. World-Telegram levelled a journalistic lance April 22 at a publicity stunt dreamed up for the "Meet Me in St. Louis" musical special (Philco & Westclox) on CBS-TV April 26. What drew the Van Horne ire was a plug for the show read into the Congressional Record by Missouri congresswoman Leonor K. Sullivan, and then mailed at public expense to TV editors under the franking privilege. Snapped Miss Van Horne: "Timing . . . was particularly unfortunate. It arrived . . . the week we all paid our income tax."

Videotape syndication of *American Forum of the Air* and *Youth Wants to Know* by Westinghouse Bcstg. Co. in prime evening hours, has been praised by Chairman Magnuson (D-Wash.) of the Senate Commerce Committee.

Reversal of Kan. TV film censorship ruling (Vol. 15:16) took place last week when Kan. Attorney General John Anderson Jr. wrote another letter to Atchison county attorney Bob Duncan, this time stating that the state censor board has no authority to pass on films shown by the state's TV stations inasmuch as they are under the licensing jurisdiction of FCC. No change was made in the ruling that films exhibited by Kan. State College & Kan. U are subject to review.

Following the dropping of long-run *Voice of Firestone*, another veteran show folded on TV channels last week—American Tobacco Co.'s *Your Hit Parade*. A victim of rock & roll tastes in pop music, show bowed out playing hit tunes from its 1935 radio opener.

Stations

NEW AND UPCOMING STATIONS: The 3 new outlets getting on the air between April 24 & 28, we suspect, comprise a banner crop for this year. KPLR-TV (Ch. 11) St. Louis got program test authorization April 23, but doesn't plan programming as independent until the 28th when it picks up baseball from Cincinnati. KDPS-TV (Ch. 11, educational) Des Moines begins programming April 27 as the 43rd non-commercial outlet. Satellite WCHU (Ch. 33) Champaign, Ill. began April 23, carrying WICS (Ch. 20) Springfield, Ill. New outlets making debut change our on-air totals to 555 (87 uhf).

KPLR-TV has RCA 25-kw transmitter at Reavis Barracks Rd. & Ave. H, Lemay, Mo. and newly-engineered antenna from Germany's Siemens-Halske Co. (Vol. 15:15) on 1214-ft. tower it is sharing with KMOX-TV (Ch. 4). Studios are adjacent to Chase-Park Plaza Hotels. Harold Koplar of Chase & Chase-Park Plaza, is pres. and votes 64.30% of stock. James L. Caddigan, onetime Du Mont exec., is v.p. & gen. mgr.; James E. Goldsmith, ex-KWK-TV, St. Louis, dir. of sales; Nicholas M. Pagliara, ex-gen. mgr. of radio WIL, St. Louis, admin. asst. to gen. mgr. & film director; Jim Castle, ex-midwest exploitation mgr. for Paramount Pictures, public relations dir.; Al Johnson, ex-NTA, N.Y., producer-director; Kenneth E. Hildenbrand, ex-chief engineer of radio KWK, dir. of engineering. Base hour is $1000. Rep is Peters, Griffin, Woodward Inc.

KDPS-TV has 5-kw RCA transmitter and 300-ft. Stainless self-supporting tower with 6-bay antenna at studio-transmitter site, 1800 Grand Ave. Owner is Des Moines Independent Community School Dist. C. F. Schropp, director of audio-visual education for school dist., is station mgr.; Ralph Joy, program dir.; Fred Kelley, educational TV & radio dir.; Howard Andreasen, chief engineer.

WCHU has an RCA transmitter and is using 50-ft. tower fabricated by Aeromotor Co., Chicago, on the roof of 70-ft. Inman Hotel. Owner WCHU Inc. is subsidiary of Plains Television Corp., licensee of WICS. Co-owners of WICS are Transcontinental Properties and H. & E. Balaban Corp. Milton D. Friedland is WICS gen. mgr., which has $400 base hour. Rep is Young.

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

WENH-TV (Ch. 11, educational) Durham, N.H., planning late spring programming, has completed link from studios in Memorial Union Bldg. to transmitter on Saddleback Mt. and is on the air with test patterns, reports mgr. Keith J. Nighbert for grantee U of New Hampshire. It has 5-kw GE transmitter. Studio-office construction is scheduled for completion by May 15. Cabot Lyford, ex-WGBH-TV Boston, is program mgr.; Alton Hotaling, ex-KUON-TV Lincoln, Neb., production mgr.; Charles F. Halle, ex-WMUR-TV Manchester, N.H., chief engineer.

KVOG-TV (Ch. 9) Ogden, Utah hasn't set delivery date for Gates 5-kw transmitter, still hopes to begin programming Aug. 15, writes David B. Affleck, asst. mgr. of radio KVOG. Construction of studio-transmitter building is at half-way mark, but work hasn't begun as yet on 400-ft. Gates tower, which will have 6-bay RCA antenna. Network affiliation hasn't been signed and base hourly rate has not yet been established. Rep will be Grant Webb & Co., New York.

Seldes to Head Communications School: Gilbert Seldes has been named director of the U of Pennsylvania's Annenberg Shool of Communications (Vol. 14:51, 15.3), will assume his new post May 1. Seldes, 66, is a prominent figure in the communications world, and an authority on the arts.

Seldes was born in Alliance, N.J. and educated at nenberg School of Communications (Vol. 14:51, 15:3), will papers, he joined CBS as head of TV programming in 1937, remaining until 1945, during a period when the medium's programming, methods and personalities were emerging. More recently he has done radio commentary, taught TV writing and contemporary American drama. He is author of *The 7 Lively Arts* and other books.

Scholarships & fellowships for the School of Communications are being made available now. Applicants may obtain information from Dr. Patrick Hazard, 201 S. 34 St., Phila. 4, Pa. The scholarships offered to college graduates are for $2500 plus tuition. The Annenberg Fellowships—for "a few experienced professionals who may want to broaden their perspective through a return to academic life"—have a maximum value of $6500. Teaching (for print, film, and broadcasting media) will place emphasis on workshops rather than the conventional lecture system.

Consummation of sale of KXII (Ch. 12) Ardmore, Okla. for $160,000 to Texoma Land TV, which was approved by the FCC recently (Vol. 15:15) is likely to be delayed—through the intervention of another group which seeks to buy the station. New Texoma Bcstrs. Inc., filing application with the FCC to buy KXII for $141,666, claims that Texoma Land's contract expired before FCC approved the sale. Texoma Bcstrs. is owned 75% by KWTX-TV (Ch. 10) Waco (which, in turn, is 26% owned by family of Sen. Lyndon B. Johnson), 10% by KWTX-TV v.p.-gen. mgr. M. N. Bostick and 15% by John E. Riesen, administrator of the estate of John F. Easley, which is selling the station. It's expected that the conflict will be litigated in the Oklahoma courts.

CBS commentator Walter Cronkite, Washington adv. agency owner James S. Beattie and John Mark, one of the beneficiaries of a voting trust which owns 50% of WMT-TV (Ch. 2) & WMT Cedar Rapids, Ia., are buying radio WDAT South Daytona Beach, Fla. (1590 kc, 1-kw D) for $70,000. Seller is Harold King, who recently sold WTTT Arlington, Fla. & KGHI Little Rock, Ark. (Vol. 15:14). Broker was Blackburn & Co. (For news about other radio station sales, see *AM-FM Addenda Q.*)

Shift of WITI-TV's Ch. 6 from Whitefish Bay to Milwaukee, requested by the station, has been proposed by FCC in a notice of rule-making. The Commission also made final its proposal to add Ch. 10 to Medford, Ore., sought by prospective applicant TOT Industries Inc.

A spelling bee on WSFA-TV Montgomery, Ala. (Ch. 12) is providing a no-budget winner for that commercial station—and reaping public-relations rewards. The program, on every Monday for 15 minutes, uses 4 pupils from 6th-grade Montgomery County schools.

Call letter changes: KBET-TV (Ch. 10) Sacramento, Cal. changes April 27 to KXTV . . . Upcoming WENH (Ch. 11 educational) Durham, N. H. to WENH-TV.

Capital Cities TV Corp. (WTEN & WROW Albany, WTVD Durham-Raleigh, WPRO-TV & WPRO Providence) establishes nat. hq. offices at 65 E. 55th St., N.Y. (PL 2-1750).

Selling Spot TV: "We feel a responsibility toward spot TV since 40% of our stations' revenue comes from it. Our job as media salesmen is to tell the spot story to distributors, brokers, wholesalers and district managers who don't usually come in direct contact with it." So said v.p. George C. Castleman, of Peters, Griffin, Woodward last week at a N.Y. preview of the rep firm's new 25-minute presentation for spot selling.

Last year, using a slide presentation titled "A Local Affair," a PGW task force played one-day stands before some 4,000 local businessmen & ad executives in 35 cities. This year, it expects to top that figure "considerably" with the 1959 presentation, "Mr. Thinkbigly Goes to Town."

PGW's primer on spot TV (80 color slides & switched-in samples of spot film commercials) points out, among other things, how because buying & living habits vary in different regions of the country & different seasons, brand preferences can range widely between cities on such products as houshold cleansers, margarine, paper napkins and men's hair tonics. Weak sales territories then become apparent at the local level & strong competition from local brands becomes a major threat.

Key point made: "Spot TV enables the advertiser to do any number of different things in any market. The advertiser who seeks the value of program sponsorship can buy a full-half-hour spot TV program of his own, or he can use station-originated programs which have a basic appeal to people in all walks of life—and at every educational level."

Case of Preparation "H": NAB's TV code review board will press for a showdown at the April 30 NAB TV board sessions in N.Y. on more than a score of cases in which stations have refused to comply with code rules against commercials for preparation "H," used for the treatment of hemorrhoids. The review board headed by Westinghouse's Donald H. McGannon said that it and 3 previous boards had notified all stations that such TV advertising was unacceptable under the code, and that more than 80% said they never had accepted it, or had cancelled it. But 87 stations which are NAB members—68 of them code subscribers—carried preparation "H" commercials until recently. Of the 68 subscribers, "40% have cancelled the advertising & another 35% are in the process of making a decision," the review board said. "In accordance with TV code procedures the cases of the remainder will be referred to the TV board of directors for action concerning the use of the code's seal by these stations." The code review board meets April 27-28 for last-minute check on non-compliance. The only penalty for defiance of code rules is withdrawal of the seal. Preparation "H" is produced by the American Home Products Co. Ted Bates is the advertising agency.

Station film buyers are showing interest in small, off-beat feature packages as well as blockbuster backlogs, says Trans-Lux TV Corp., N.Y. In the past 20 weeks, 25 stations have signed for a new 6-picture Trans-Lux package headlined by a '56 Oscar winner, "La Strada," Richard Carlton, sales v.p., tells us. Others in the package: "Lovers & Lollipops," a low-budget film by the producers of "Little Fugitive," plus the Israeli-made "Hill 24 Doesn't Answer" and three British features. All are post-1948.

Station Reps. Assn. 1959 advertising awards luncheon is set for May 7 in N.Y. Two awards, the "silver nail time buyer of the year," and the "gold key," to an agency person showing outstanding leadership in broadcast advertising, will be made. SRA membership selects the winners.

Table of Summer Time in TV Cities

All TV areas which switch to daylight-saving time moved their clocks ahead one hour April 26. Most of these will return to standard time Oct. 25—with the exception of California, Nevada & Wisconsin, which go back to standard time Sept. 27. A daylight-saving time bill was killed in Minnesota, but Duluth, Minneapolis & St. Paul have passed local DST ordinances.

The following table, compiled as a handy reference with the assistance of ABC, CBS, NBC and *TV Guide*, lists the current time observed in each state. If there is no uniformity of time in TV cities within the state, the cities are listed separately.

State or City	Time	Period ends
ALABAMA	CST	
ARIZONA	MST	
ARKANSAS	CST	
CALIFORNIA	PDT	Sept. 26
COLORADO	MST	
CONNECTICUT	EDT	Oct. 24
DIST. OF COL.	EDT	Oct. 24
FLORIDA	EST	
GEORGIA	EST	
IDAHO	MST	
ILLINOIS	CDT	Oct. 24
INDIANA		
Evansville	CDT	Oct. 24
Ft. Wayne	CDT	Oct. 24
Indianapolis	EDT	Oct. 24
Lafayette	CDT	Oct. 24
Muncie	CDT	Oct. 24
South Bend	CDT	Oct. 24
Terre Haute	CDT	Oct. 24
IOWA	CST	
KANSAS	CST	
KENTUCKY		
Lexington	CDT	all yr.
Louisville	CDT	Oct. 24
Paducah	CST	
LOUISIANA	CST	
MAINE	EDT	Oct. 24
MARYLAND	EDT	Oct. 24
MASSACHUSETTS	EDT	Oct. 24
MICHIGAN	EST	
MINNESOTA		
Alexandria	CST	
Austin	CST	
Duluth	CDT	unc'rt'n
Minneapolis	CDT	unc'rt'n
Rochester	CST	
St. Paul	CDT	unc'rt'n
MISSISSIPPI	CST	
MISSOURI		
Cape Girardeau	CST	
Columbia	CST	
Hannibal	CDT	Oct. 24
Jefferson City	CST	
Joplin	CST	
Kansas City	CST	
St. Joseph	CST	
St. Louis	CDT	Oct. 24
Sedalia	CST	
Springfield	CST	
MONTANA	MST	
NEBRASKA	CST	
NEVADA	PDT	Sept. 26
N. HAMPSHIRE	EDT	Oct. 24
NEW JERSEY	EDT	Oct. 24
NEW MEXICO	MST	
NEW YORK	EDT	Oct. 24
NO. CAROLINA	EST	
NO. DAKOTA	CST	
OHIO		
Akron	EDT	Oct. 24
Cincinnati	EST	
Cleveland	EDT	Oct. 24
Columbus	EST	
Dayton	EST	
Lima	EST	
Steubenville	EDT	Oct. 24
Toledo	EST	
Youngstown	EDT	Oct. 24
OKLAHOMA	CST	
OREGON	PST	
PENNSYLVANIA	EDT	Oct. 24
RHODE ISLAND	EDT	Oct. 24
SO. CAROLINA	EST	
SO. DAKOTA	MST	
TENNESSEE	CST	
TEXAS	CST	
UTAH	MST	
VERMONT	EDT	Oct. 24
VIRGINIA	EST	
WASHINGTON	PST	
WEST VIRGINIA		
Bluefield	EST	
Charleston	EST	
Clarksburg	EST	
Huntington	EST	
Oak Hill	EST	
Parkersburg	EST	
Wheeling	EDT	Oct. 24
WISCONSIN	CDT	Sept. 26
WYOMING	MST	

Contempt of court action against the Baltimore Sunpapers (WMAR-TV) and Westinghouse Bcstg. Co. (WJZ-TV) for alleged violation of a rule against photographing witnesses in a black market baby adoption case has been dismissed by a 3-judge court. The judges noted that the pictures were taken in a pressroom and that the Sunpapers denied any intent to embarrass or obstruct the court.

Adding 1½ hours to its broadcasting day, WHCT (Ch. 18) Hartford now signs on at 4 p.m., off at 11:30 p.m. Pres. Edward Taddei said the move provides time for new local shows. The station, recently bought from CBS (Vol. 14:46, 49) returned to the air Jan. 24 after being dark since Nov.

Storer's purchase for $900,000 of radio KPOP Los Angeles from J. Frank Burke & Son (Vol. 15:11) was approved last week by the FCC, Comr. Bartley dissenting. Storer sold WAGA Atlanta to observe 7-station AM limit.

New Videotape recorders have been put in use by WDSU-TV and WWL-TV New Orleans. KTVU San Francisco has installed its 2nd Ampex Videotape recorder.

Television Digest

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Personals: William A. Morrison named sales mgr., KRON-TV & KRON San Francisco, succeeding Norman Louvau, resigned . . . Jim Black named to new post of national sales mgr., Griffin Broadcast Group. (Griffin owns KTUL-TV Tulsa, KATV Little Rock & 50% of KWTV Oklahoma City). Robert Doubleday, ex-KTUL-TV local-regional sales mgr., appointed gen. mgr., KATV. He's succeeded at KTUL-TV by Robert Gordon.

Mrs. Jean Gannett Williams, John H. Gannett, Creighton E. Gatchell, Francis H. Farnum Jr. & Charles Weston elected directors, Guy Gannett Broadcasting Services (WGAN-TV & WGAN Portland, Me.) . . . Howard W. Town, ex-RCA, appointed technical dir., National Educational Television & Radio Center, Ann Arbor. Nazaret Cherkezian, ex-CBS-TV, named p.r. dir. . . . Robert R. Brown, ex-UPI, named press editor, news & public affairs, NBC press dept., succeeding M. S. (Bud) Rukeyser Jr. (Vol. 15:16).

Ward Asquith, ex-CBS & NBC, joins NAB staff as asst. to radio v.p. John F. Meagher, succeeding Thomas B. Coulter, who resigned to become asst. to gen. mgr. Harold Waddell of radio WKBZ Muskegon . . . George P. Crumbley Jr. named southeastern sales mgr., CBS Radio Spot Sales . . . Ralph M. Baruch appointed international sales dir., CBS Films, effective May 4.

Robert K. Richards, pres. of Richards Assoc., public relations firm, elected v.p., American Council on Education for Journalism . . . Dave Yarnell has resigned as program dir., WNEW-TV N. Y.

Sam Gang, NTA International sales dir. in Latin America, resigned to join Bernard L. Schubert Inc. as dir. of international sales . . . Gilbert S. Cohen named film mgr., ABC Films Inc. . . . Don Moore, ex-McCann-Erickson, and Eve Ettinger, ex-Columbia Studios, named Screen Gems story editors.

Nugent Sharp, engineer in FCC broadcast facilities div., resigned April 13 to establish consulting firm located in Suite 810, Warner Bldg., 501 13th St. NW, Washington 4, D. C. (DIstrict 7-4443) . . . Robert Alter promoted from regional sales mgr. to sales admin. mgr., RAB. Rowland Varley named sales mgr., grocery products group; Robert Coppinger, sales mgr., new automotive group . . . Robert K. Richards, Washington p.r. consultant, elected a v.p. of the American Council on Education for Journalism.

Edmond Casarella, ABC art director of sales presentations, awarded Guggenheim Fellowship for creative printmaking . . . Henry V. Greene Jr., ex-asst. sales mgr. of WBZ-TV Boston, named sales mgr. of KDKA-TV Pittsburgh . . . Bob Guy, ex-gen. mgr. of KTNT-TV Tacoma, named program director of WWL-TV New Orleans . . . Carl U. Tinnon promoted from sales service dir. to operations mgr. of KAVI St. Louis.

■

Davidson Taylor, ex-NBC & CBS v.p., recently on special assignment with the Lincoln Center Committee, N.Y. Public Library, named dir. of Columbia U's Arts Center program, which includes construction of a 12-story building bringing together on Morningside Hts. all the university's activities in painting, sculpture, theater, music, history of fine arts & archeology, TV, radio, movies, graphic arts & architecture.

Edwin C. Wilbur, supervisor of NBC-TV remote TV network pickups, is retiring May 31 after 30 years with the network. A pioneer in TV technical development starting in 1937, Wilbur was named TV technical operations supervisor in 1954. He joined NBC in 1929 as a field engineer for the radio network.

Chief engineer Morris C. Barton Jr. of KSLA-TV Shreveport is the winner of a contest held by Visual Electronics, N.Y., to name its TV program automation system. For proposing "$pot $aver," Barton won a Conrac Fleetwood No. 900 remote receiver.

AB-PT has nominated Joseph A. Martino, National Lead Co. pres., and Alger B. Chapman, Beech-Nut Life Savers bd. chmn. & chief exec., as directors. They fill gaps left by Earl Anderson, not seeking re-election, and the late Ed Noble.

Third annual industry conference on local public service programming will be held Sept. 21-23 in San Francisco at Stanford U under the auspices of Westinghouse Bcstg. Co. Plans for the session are being developed by a group headed by Dick Pack, WBC program v.p.

Ed Herlihy has resigned after 23 years as a staff employe of NBC in order to accept free-lance offers. He will continue his present NBC assignments, which include announcing for Kraft (since 1948) and *Monitor*.

Virginia Assn. of Broadcasters will hear FCC Comr. Bartley, NBC station relations v.p. Harry Bannister and *Broadcasting* publisher Sol Taishoff at its annual meeting June 17-19 at The Tides Inn, Irvington, Va.

AM Radio Sales Co., radio rep, has moved to 666 Fifth Ave., N. Y. (Plaza 7-4567).

CBS Inc. pres. Frank Stanton will be a July 16 speaker at the NAB's management seminar July 5-17 at the Harvard Business School. About 50 broadcasters are expected.

Obituary

Alfred N. Steele, 57, chairman of Pepsi-Cola Co., and onetime mgr. of the Detroit office of CBS, died April 19 at his home. He is survived by his widow, movie & TV actress Joan Crawford, a son and a daughter.

Advertising

ANA COMPLETES AD STUDY: Admen, facing the ever-present problem of measuring the effect of TV & other ad media, got a new information source of major proportions last week in the Assn. of National Advertisers 418-page report, *Evaluating Advertising Effectiveness.*

Prepared by advertiser-agency research executives, the report is Volume VII on ANA's 7-volume "Advertising Management Guidebook Series." The entire set of reports ($200,000 and 4 years effort), which costs $150 and looks like an encyclopedia, represents "one of the most important projects in ANA's 49-year history," says pres. Paul B. West. It is now being distributed to ANA members, as well as to ad agencies, universities and business schools (largely as gifts of ANA alumni), and to business firms & agencies in foreign countries ranging from West Germany to India.

Case histories of ANA members who have evaluated their own advertising efforts are a highlight of the work, with capsule reports included from such leading advertisers as: GE, AT&T, Eastman-Kodak, duPont, Nestlé, General Mills, Carborundum, Monsanto Chemical, Humble Oil, Prudential Insurance, Armstrong Cork, A. B. Dick, Borden, Kendall, Union Carbide, Minneapolis-Honeywell, Pitney-Bowes, and Campbell Soup.

Many of the advertising industry's top names lend weight to the findings on such topics as evaluating markets, motives, and messages. A few: Maxwell Ule, Sr. v.p. of K&E; Dr. Wallace H. Wulfeck, exec. v.p. of William Esty & ex-pres. of Adv. Research Foundation; Alfred Politz; David Ogilvy of OBM agency; motivational theorist Dr. Ernest Dichter; Paul Gerhold, v.p. of FCB; Dr. E. L. Deckinger, v.p. and media dir. of Grey; Dr. Lyndon O. Brown, v.p. D-F-S; George Blechta, v.p., A. C. Nielsen; Pettersen Harzoni Jr., v.p. of D'Arcy.

For TV-minded advertising executives, a few of the highlights:

On media alternatives: Grey Advertising's Dr. E. L. (Larry) Deckinger tackles the problem an advertiser faces in getting "his message from the copywriter's desk to the consumer's mind" with an 11-point approach to media selection, citing 7 "marketing-oriented factors" (product, market, distribution, competition, sales promotion, art & copy, budget) and 4 "media-oriented factors" (continuity, coverage, frequency and intensity) as the areas "importantly influencing media selection."

Two TV cases are cited by Dr. Deckinger in discussing the relationship of product market & media selection.

"Ronson electric shavers had relatively few available dollars. They knew they would be drenched, in conventional media reaching men, by competitor budgets many times bigger than their own. So they short-circuited competition by defying custom. They advertised in daytime TV. They bought Arthur Godfrey, a great salesman, to hawk their wares—to women! . . . because they knew that a large percentage of electric shavers are bought by women at Christmastime, and by concentrating on a daytime women's segment, they could hope to make a strong impression on at least some part of the market—not the biggest, but big enough to do enough business to make a profit."

"It was useless, years ago, for Greyhound Bus to advertise on *Omnibus*. The advertising agency had properly diagnosed Greyhound's problem as being one of the necessity of toning up bus traveling & the bus traveler. But they did it by advertising on a program that predominantly reached people who would never travel by bus anyhow! In 1957, Greyhound tried a new approach. High-class commercials but on a program that cut across all income classes, *Steve Allen*, 'toning up' to people whom they have a chance of selling."

(Despite the effectiveness of the campaign, however, Greyhound won't be sponsoring Allen this fall. For the first time, the bus organization will use network radio. With Allen until March, it will sponsor comedy segments on NBC's *Monitor*, in a 12-week campaign starting June 20. Agency is Grey Adv.)

On testing TV commercials: A. W. Harding, former mgr. of the marketing research dept. of General Mills, reports on a series of 4 research tests of General Mills' TV commercials, conducted by Schwerin Research. In one, General Mills was attempting to find out how well the idea of "Bisquick versatility" was getting across. The first commercial, which confined the "versatility" theme to a slogan seen on the package during a waffle-making demonstation, scored just 2% among members of a test panel. By gradually putting the video & audio stress on versatilty, and taking as the theme: "No other baking mix can help you so much—that's right!" later commercials stepped up the recognition of "versatility" to 85%.

Another General Mills test concerned a Betty Crocker Angel Food Mix commercial screened both in color and b&w. Result, according to GM researcher Harding: "Almost half again as many viewers of the color version indicated preference change for Betty Crocker Angel Food. Although total brand identification was virtually equal for both commercial responses, the color version gained half again as many sales-point responses. Color TV thus shows promise of greater advertising values for its users—which is probably the biggest understatement of the day."

The ANA report also contains an extensive exploration of the basic relationship between TV-radio research & sales problems, titled "How to Match Your TV & Radio Coverage to Your Specific Market," by George Blechta. A key point made: "Network weak spots can be bolstered effectively with TV & radio spot campaigns."

Detergent Bonanza: Paced by Lestoil, 6 manufacturers of heavy-duty liquid detergents spent $14.5 million in TV during 1958, reports TvB, for a 232% increase over 1957: Adell Chemical's Lestoil ($12.3 million, for 1958's biggest TV-time purchase for a single product), Lever's Handy Andy ($740,000), Texize Detergent ($645,000, a 365% rise over 1957 for the S.C. firm), P&G's Mr. Clean ($421,-300), Colgate's Genie ($319,800), & Barcolene ($114,400).

The Lestoil budget (almost all for spot) is 200% over 1957 and contrasts with the 1954 starting budget of $10,-000—a mere 5 years ago! Despite its achievement of $35 million sales in 1958, the product is still not in full national distribution. Its amazing success story (the first for an all-purpose liquid detergent) has inspired others to move into the field. In 1958, the 3 major soap companies—P&G, Colgate and Lever—introduced similar liquid detergents.

Revue Productions' new telefilm series starring Rod Cameron, *Coronado 9*, has been bought by Falstaff Beer (Dancer-Fitzgerald-Sample agency) for 60 regional markets in the midwest, south and on the west coast. This is Cameron's third series for both Revue & Falstaff, the others being *City Detective* & *State Trooper*. Richard Irving is producer-director of Cameron's new series, in which the star plays a private eye.

Sad Prospect for Newspapers: "The newspaper may have to go the way of the horse & buggy, the trolley car, and the American citizen who worked for himself instead of The Organization," writes Herbert Brucker in the latest *Saturday Review*'s lead story. What gives this remark man-bites-dog flavor is that Brucker is editor of the *Hartford Courant* (nation's oldest newspaper), a director of the American Society of Newspaper Editors, and author of *"The Changing American Newspaper."*

TV, of course, figures in Brucker's thesis ("the newspapers are losing ground, mostly to TV"), although it is by no means the sole reason for the bleak title of Brucker's piece: "Is the Press Writing Its Obituary?"

The basic difficulty of the press, thinks Brucker, is economic. Although they were the technological pioneers of the 19th Century (steam & then electricity-run presses; telegraph, telephone, typewriter, half-tone process and the linotype) newspapers have made no important technological progress in 60 years. This makes it tough for them, thinks the editor, "in a world in which invention & automation have taken over everything else" and in which a linotype operator is paid 3½ times more for working ¾ as long (compared with 1921) and producing at a slower rate per hour. "No wonder," shrugs Brucker, "publishers wonder how long the printed newspaper can survive!"

The publishers also share a common problem with broadcasters: the taste of the audience—a taste which has caused newspapers to "go more & more for entertainment, less & less for information." Yet this is a characteristic of the audience which newspaper editorialists seem to forget when they are berating TV for its stream of escape entertainment as against the smaller quantity of life-is-real-life-is-earnest information shows. Advertising Research Foundation's study of newspaper readership, Brucker points out, have found 91% of readers looking at photos and 81% at comics. Society news drew 83% of women and sports picked up 76% of men—"but men read only 14% and women 11% of 18,000 general news stories publshed in the 138 newspapers studied."

Coincidentally, on Friday, Louis B. Seltzer, editor of the *Cleveland Press*, told Dave Garroway on *Today*: "We must, I think, step up the techniques by which we inform people—both your branch of communications & our own."

American Newspaper Publishers Assn. re-elected as pres. D. Tennant Bryan of *Richmond* (Va.) *Times-Dispatch* and *News Leader* (estate of John Stewart Bryan has approximately 50% interest in Richmond newspapers as well as in *Tampa Tribune* and *Times* and WFLA-TV & WFLA, Tampa). All other officers & directors were re-elected with exception of Walter J. Blackburn of *London* (Ont.) *Free Press* (CFPL-TV & CFPL), who had served the traditional limit of 8 years as officer. H. H. Cahill of *Seattle Times* succeeds him as secy. Elected to fill out Cahill's one-year unexpired term as dir. is St. Clair Balfour of Canada's Southam Newspapers, with interests in CHCT-TV Calgary, Alta. & CHCH-TV Hamilton, Ont.

Newly-elected Associated Press directors include Franklin D. Schurz, pres. & publisher of *South Bend Tribune* (WSBT-TV & WSBT). Among directors re-elected are Ken McDonald, v.p. & editor of *Des Moines Register & Tribune* (affiliated with KRNT-TV & KRNT there through Cowles Bcstg. Co.); Robert McLean, pres. & publisher of *Philadelphia Bulletin* (former owner of WCAU-TV Philadelphia) and John W. Runyon, pres. & publisher of *Dallas Times Herald* (KRLD-TV & KRLD).

In Other Media: Magazine ad linage is down 3.2% for April, 1959 vs. April '58, reports *Printers' Ink*, but the cumulative figure for this year's first 4 mos. is almost half a percent ahead of the same period of last year. Some magazines showed ad gains in April, with the largest percentage—18.4%—being registered by the "romance & radio groups." Weeklies were down 4.5% for April, and cumulatively for the year, are running 1.3% behind 1958. Sunday magazine supplements have sharply reversed their year-ago gains; they're down 17.8% for April & down 13% cumulatively . . . Time Inc. reports for 1958's first half a net after taxes of $5,350,000; thinks it will improve on that this year . . . A current *SatEvePost* presentation says that 166 TV programs were produced in the past year from scripts based on stories from the magazine.

New Rambler spot TV campaign, "closely pin-pointed to showroom action," started breaking April 24 in 76 major markets. Time buys (8-sec. I.D.'s & 60-sec. announcements) are concentrated on Fridays on the theory they'll "produce immediate traffic on the day most families shop for cars—Saturday," according to E. B. Brogan, Rambler adv. mgr. and Geyer, Morey, Madden & Ballard ad agency. Brogan estimates the spot exposures will reach "an estimated 65% of the potential TV audience, representing some 96.4% of the nation's TV homes, yet without the production costs of a show."

TV showed it can sell cars—even on sustaining programs—in Dayton last week. A special WHIO-TV telecast was featuring a live shot of Ampex's barnstorming Videotape Cruiser pulling into the studio parking lot. As the camera panned around the lot it momentarily picked up a parked car with a sign taped on the window reading, "For sale, $395." Before the show was over, a breathless viewer who had spotted the car on his TV screen ran to the studio, checkbook in hand, and closed the deal then & there.

Advertising Federation of America holds its 55th annual convention in Minneapolis June 7-10, with approx. 1000 ad men from the Federation's 130 ad clubs participating. Among those speaking on "challenges to advertising" June 9, will be TV producer exec. v.p. David Susskind, of Talent Assoc. Ltd. Giving a "situation report" on advertising June 8 will be: v.p. Jean Wade Rindlaub, Batten, Barton, Durstine & Osborn; chmn., Fairfax M. Cone, Foote, Cone & Belding; and Sen. Hubert H. Humphrey, (D-Minn.).

Restaurant chains spent $359,000 in spot TV last year, a 9% increase over 1957 and 63% over the 1956 total, TvB reports. In 1958 restaurants spent over 45% of their spot TV money in prime evening time, 38% in daytime, and the remainder in late night slots. Top restaurant spenders included Frisch Big-Boy Drive-Ins ($203,120), Hot Shoppes ($78,790) and Howard Johnson ($55,270), says TvB.

"Instant ratings" are spreading, despite Arbitron's Chicago setback (Vol. 15:16). Nielsen will introduce its own "Instantaneous Audimeter" soon in N.Y., rivaling Arbitron's system there. In England, both major audience research services are introducing "instants"—TV Audience Measurement Ltd. (TAM) its "Instam" and Nielsen its "Nieldex."

Newly-elected directors of ANPA Bureau of Advertising include George E. Carter, business mgr. of *Cleveland Press* (affiliated with Scripps-Howard Radio Inc., licensee of WEWS), and James H. Righter, publisher of *Buffalo News* (WBEN-TV & WBEN).

People: Emerson Foote, senior v.p., McCann-Erickson, N.Y., named by the Advertising Federation of America as gen. chmn. of the management seminar in adv. & mktg., Harvard University, July 5-11 . . . **Mort Green**, writer for the *Perry Como Show*, becomes Revlon TV-radio dir. June 1 . . . **Edward N. Ney** named Young & Rubicam v.p. . . . **Brendan J. Baldwin**, media dir., Kenyon & Eckhardt Detroit office, appointed v.p. & assoc. media dir., N.Y. office.

G. Newton Odell, ex-McCann-Erickson, appointed v.p. in charge of mktg. & creative services, Joseph Katz Co., N. Y. . . . **James D. Thompson** appointed Sullivan, Stauffer, Colwell & Bayles v.p. . . . **E. Sykes Scherman** elected v.p. of Compton Adv., N. Y. **Frank Snell** elected v.p., Compton Adv., & named creative dept. business mgr., a new post.

Joseph D. Nelson, Cunningham & Walsh v.p., named dir. of the account management & contact div. . . . **William S. Lampe**, from the office of W. R. Hearst Jr., named v.p. of Communications Counselors, div. of McCann-Erickson . . . **Martin F. Conroy** named creative dir., BBDO's Boston office . . . **John Malloy**, ex-E. B. Weiss, named Warwick & Legler v.p. . . . **George Pomfert**, ex-Kaiser Aluminum, named v.p., Fulton, Morrissey.

Allen E. Braun, North Adv. head of research & mktg., N. Y. dept., named v.p. . . . **Charles R. Standen & George Bolas** promoted to v.p. of Tatham-Laird, Chicago . . . **Phil Wasserman** named publicity dir., Reach, McClinton & Co. . . . **Louis G. Herman**, ex-head of own agency, named exec. v.p. of Ralph Bing Co., Cleveland . . . **Beatrice Adams**, v.p., Gardner Adv., St. Louis, will speak at a Sunday brunch June 7, before the Advertising Federation of America's council of women's adv. clubs.

Gail Smith, ex-Procter & Gamble, named to new post of General Motors TV advertising dir. . . . **Robert M. Ganger**, chmn., D'Arcy Adv., elected board chmn., American Assoc. of Adv. Agencies.

Firestone's TV budgets, reportedly in the $4-5 million category, are largely up for media grabs. With *Voice of Firestone* bumped from its Monday-night ABC-TV slot, the tire manufacturer is reportedly considering a switch from network to spot TV, via Sweeney & James agency, despite a special face-lifting attempt on the long-run show by Campbell-Ewald (which has part of the Firestone account). Another last-ditch attempt to preserve *Voice* is reportedly being made in N.Y. by Natl. Telefilm Assoc., which hopes to tape the series, and air it on a non-connected "network."

TV's physical limitations have caused a "new look in audio-visual communication," Kenneth C. T. Snyder (Needham, Louis & Brorby v.p. & TV-radio creative dir.) told a creative conference sponsored by the Adv. Federation of America and the U of Mo. School of Journalism. "The small screen, the fixed 1:1.33 ratio, the 58-second limit, black and white, stimulate greater creative effort which can result in more effective commercials," he added. "When you're working with just 150 words, you have to get down to an essential idea."

TV commercials can sell established brands only when they say something new, William D. Wells, Benton & Bowles method development head & asst. prof. of psychology at Rutgers U. told American Marketing Assn.'s N. Y. chapter. Utilizing the results of experiments involving 100 respondents, Wells said brands follow a "life cycle" pattern, with advertising first increasing, then preserving the public's readiness to buy.

Film & Tape

Shape of Tape to Come: "Nearly two thirds of original TV programming will be produced on tape within 2 or 3 years," predicted Howard S. Meighan, pres., Videotape Productions of N.Y., at a luncheon meeting of the Radio-TV Executives Society April 23. What will make this possible is a "combination of the 100% pre-editing technique of live TV, and the take-&-cut production of film, allowing, possibly, for a 4-camera continuous take, from outdoors to indoors to close-up in an assembly of sequences," he predicted.

The Ampex Corp. consultant's remarks involved areas of tape cost, quality, programming and home equipment.

On programming: "Tape will hasten the obsolescence of film program matter." On picture quality: "Almost sure introduction of 4½-in. cameras to replace the present 3-in. standard image orthicon, with almost twice the exposed tube area." On quality: "Drop-out—flecks of dust about one-tenth the thickness of cigarette paper causing white spots or streaks across the picture—is being consistently reduced," so that "shortly there will be less than one drop-out per 280 frames, or roughly, every 10 seconds." On cost of programming: "About $10,000 less per half hour to tape, rather than film, a program."

Discussing other tape factors, Meighan said that it was too soon for a sound statistical sample, but "for indoor studio production direct costs appear to be 25-50% under film." Cost of tape, he said, is "due to come down about 50% in 2-5 years." Commenting on home equipment, he said: "Don't look for home recorders at a price anyone can afford, but there will be small recorders or playbacks for use in school systems."

* * * *

"Tape makes economics of programming for a 4th station and for a 4th network realistic now," Oliver A. Unger, pres. of NTA, told a meeting of the Broadcast Advertising Club of Chicago April 23. Citing the firm's own WNTA-TV N.Y. as an example, he admitted that "well over 70% of our budget is spent on programming," but he felt that tape programming was economically feasible because it "will be able to spread its cost so that the independent station operator can afford to gamble on the expenditure." Discussing the growing shortage of feature films for TV in Hollywood vaults, Unger forecast a "marriage between a form of pay TV for those who want it & free TV, supported by advertisers," as one possible solution.

The Bad Sell: Warner Bros. feels the commercials on its *77 Sunset Strip* series are the worst on TV and is trying to do something about it, we're told by studio sources. The only commercial on the series not offensive to WB is Brylcreem. William T. Orr, Warners exec. producer for TV, recently took an unprecedented action when he told the Ted Bates agency its commercial for Nair was "unacceptable" to WB. The commercial shows a woman putting cream on her upper lip, to remove her "mustache." The agency agreed with Orr, and said it would remove the commercial.

Another commercial on the same show which Warners doesn't like is the Rolaid double-exposure hard-sell. Says our source: "The people responsible for this commercial do not claim it is in good taste. They shudder at it. They tell us they think it stinks. But—they add—sales of the product have gone way up since they began using it.

Hollywood Roundup: And still they come: Two new pilots in preparation at California National are *Provost Sergeant*, starring Ralph Meeker in a series dealing with Army investigations in Hawaii, and *Pony Express*, a Western not yet cast.

CBS renewed Rorvic-Desilu's *The Texan* series, starring Rory Calhoun, for 65 weeks, the deal beginning with reruns this summer . . . Desilu plans additional footage on its 2-part *Westinghouse-Desilu Playhouse* drama, "The Untouchables," idea being to release the TV drama in theaters. It's the story of Al Capone.

When Four Star Films ends a year's tenancy at Fox Western May 13, it will have completed 600 shooting days and about 200 telefilms. Its lease deal with 20th-Fox had called for a guarantee of 440 shooting days . . . Four Star's *Trackdown* series has been cancelled, but negotiations are under way for a new sponsor for next season. Series would have a new title. The deal being discussed is for 18 first-runs and 8 reruns.

Desilu's Bert Granet has been signed to a new 3-year contract as exec. producer of *Desilu Playhouse*. He will also develop other properties for Desilu . . . R. J. Reynolds Tobacco has signed as participating sponsor on *77 Sunset Strip* for next season, when the series moves to 9 p.m. Friday nights on ABC.

Alvin Cooperman, who has been exec. producer at Screen Gems, has resigned to become producer of Four Star Films' new June Allyson-duPont anthology series . . . Screen Gems' new commercial dept. has filmed 3 one-minute color commercials of Ben Blue, in pantomime, for overseas theatrical release. Minnesota Mining is paying for the commercials, for its Scotch Brand tape.

Four Stars' *The David Niven Show*, sponsored by Singer Sewing, faces an eviction notice from NBC which is clearing the Tuesday 9:30-10:30 p.m. time next season for the series of Ford specials . . . Screen Gems will syndicate *Seven League Boots*, half-hour documentary travel series produced by Jack Douglas. It has also acquired *Song In My Heart*, a new TV series, and has produced the pilot of *Undercover Car* starring Victor Jory & Pat McVey, for its syndication branch.

Paramount has invested $250,000 in its 3 pilots—the hour-long *Destination Space* (for CBS), *Countdown* and the taped *Happy Time*. They'll soon be ready for showing on Madison Ave.

Warner Bros. has renewed the contract of TV producer Roy Huggins, and assigned Stanley Niss to produce its new hour-long series, *Diamond Head* . . . General Artists Corp.'s TV subsidiary, GAC-TV, is planning an expansion program, which will include additional personnel on the coast staff. N.Y. agent Steve Yates has been signed by the company to handle writers & dramatic TV talent sales.

NBC has bought *Five Fingers*, new intrigue series, from 20th-Fox TV for the fall. Producer is Herbert Swope Jr.; Al Hedison & Luciana Paluzzi star . . . David L. Wolper has formed Pilot Films Inc. to finance pilot films for network TV & syndication.

Bernard L. Schubert Productions settled its differences with the Screen Actors Guild by paying $98,000 in overdue actors' residuals for *Mr. and Mrs. North*, *Topper*, *Crossroads*, *TV Reader's Digest* and others. Schubert is planning a new series, *Counterspy* . . . Ziv TV's outer space series, *Moon Probe*, bought by Lucky Strike has had its title changed to *Space*.

Ted Post will be producer-director of *The Racer*, new joint-venture pilot of ABC and Joseph Schenck Enterprises.

New York Roundup: Since few agencies and almost no sponsors have tape playback facilities, new stress is being placed on kinescopes as "demonstrators" for videotaped shows and commercials. CBS Films, for example, is making deluxe kines of *Theatre for a Story*, new 30-min. tape offering, with a new 35-mm. recording system, and then making reduction prints on 16 mm that have "far greater definition" than ordinary kines. NTA's telestudios recently installed, for the same reason, a 35-mm film chain at a cost of $100,000.

The now-common practice of making books out of feature-movie original scripts is being borrowed by ITC and the *Fury* series, aired on NBC-TV. Albert G. Miller, TV scriptwriter, has penned a juvenile-slanted book version of the show which was to be published April 27 by John C. Winston Co., Philadelphia. The book will have the same title as the TV series.

Ziv TV's hardy perennial, *Cisco Kid*, has been bought for a 10-state regional campaign by H. W. Lay Potato Chip Co. Lay is the third chip concern to sign for the moppet-slanted Western since the start of the year . . . The first feature movie ever made by Ireland's Abbey Players, "Professor Tim," was scheduled for its American premiere April 26 on *Omnibus*.

Robert Stevens, telefilm & live director, has been signed to a 3-year, non-exclusive contract by CBS-TV. He'll do 4 *Playhouse 90* shows and 2 hour-long *Lineup* shows a year under the pact . . . Equitable Life has decided to make its forthcoming 90-min. series on CBS-TV broader in scope than planned. It has shelved the original idea for a series titled *Biography*.

Writers Guild of America West last week voted to strike 5 movie companies for their alleged refusal to negotiate additional payment to writers on post-1948 movies released to TV. The companies involved are now defunct or inactive, so the Guild action has little effect: Lippert Pictures Inc., Lippert Productions Inc., Alson Productions Inc., Alco Pictures Corp. and Filmakers Inc. The Guild said the companies involved had either refused to discuss outright or rejected the question of additional money for the writers.

Release rights to 36 D. W. Griffith silent movies & 16 screenplays in which the producer's estate held rights were granted last week to Killiam Shows Inc. of N.Y. for a $21,000 bid. In a deal whereby Killiam participates in the profits, the movies have been assigned to Sterling TV, N.Y. TV distribution firm. The package includes such titles as "Birth of a Nation," "Intolerance," "Broken Blossoms" and "Way Down East."

Small stations need video tape equipment just as much as large outlets, and within 2 years most stations will have at least one machine, predicted Jerome Feniger, Cunningham & Walsh v.p. at an Ohio Assn. of Broadcasters meeting in Cincinnati April 24. Another point: Improved programming on the station level demands "a calculated risk on new talent" as well as "avoiding the temptation to over-spot a highly-rated program."

Five-year, multiple-use buy of reruns of *Rin Tin Tin* has been made by General Mills, which gives the cereal firm the right to air it as often as twice a week at the network level on ABC-TV this fall. The Screen Gems telefilm series will be seen in a Mon. & Fri. spot for General Mills at 5:30 p.m. as part of a "rerun strip" being developed by ABC to replace *Mickey Mouse Club*.

Trade Report . . . .

APRIL 27, 1959

NEXT FROM JAPAN—RECORDERS, PHONOS, THEN TV: Flushed with success of its transistor radios on U.S. market, Japan's booming electronics industry this year will start exporting 2 completely new items which it hopes will become almost as popular.

The first is an incredibly compact all-transistor tape recorder, battery operated, to sell for about $50 and up. Smaller than cigar box—only slightly larger than coat-pocket size—it is expected to be "really big item," Japanese sources tell us. First such units, at $160, made by Victor Co. of Japan, are already on market here. But Japanese sources tell us less expensive models are due.

The other is a portable transistor phono-radio, also battery operated, accommodating all speeds & sizes of records. The Japanese hope for "gradual growth of these 2 products" until they approach the dollar volume of the stock-in-trade pocket portable.

These products are completely new—Japan has exported virtually no tape recorders to U.S. in past, and only perhaps 500 phonos of all kinds in 1958. Also on Japanese 1959 list is step-up in exports of hi-fi amplifiers. Perhaps 100,000 amplifiers—of all kinds, including cheap amplifiers for radios—were shipped to U.S. from Japan last year.

All-transistor battery-operated TV is marked as "probable" for 1960, virtually sure for 1961, in Japanese set makers' plans. Four electronics manufacturers there now have them in various stages of development. "No exports this year," predicts a Japan trade official. But he assures us TV is coming. U.S. imports virtually no TV from any country now.

One new Japanese product already on market—with no domestic competition that we know of—is battery-operated AM-FM transistor portable. Imports of this product will be stepped up if it catches on here. Also recently introduced is broadcast-shortwave portable from Japan.

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Here's the authoritative story of Japanese electronics' future plans and past performance, based on new information—official & unofficial—from Japanese Govt. & closely related sources:

Imports of Japanese transistor radios to U.S. will increase somewhat this year, then level off. Radios of all kinds entering U.S. ports from Japan are expected to total 3,600,000 in 1959, but about 1,200,000 of these are labeled "toys" by Japan Trade Ministry—that is, they're radios with 4 transistors or less, including diode crystal sets which retail at $2-$6 by mail order and through variety & junk shops. Of remaining 2,400,000, some 20-30% will be re-exported to Latin America, leaving total of somewhat less than 2,000,000 "full-performance" radios—plus maybe 1,200,000 "toy" sets—for U.S. marketing.

In 1958 Japan shipped 2,506,920 radios to U.S. (factory value $18 million). This includes 850,000 with 4 transistors or less, and perhaps 330,000 which were re-exported & therefore never offered for U.S. sale—leaving 1,650,000 sets with 5 or more transistors for U.S. marketing, or total of about 2,500,000 sets of all kind offered for sale here. This is just 10% lower than 1958's domestic U.S. production of transistor radios (but remember, Japanese figure also includes "toy" radios).

Monthly exports of Japanese radios to U.S. now average 300,000, of which 200,000 have more than 4 transistors (20-30% of these being re-exported)—and Japanese say this level will be maintained.

Factory price of the little radios averaged around $7.20 in 1958, so even with shipping charges, 2½% ad valorem duty and a fair profit to handlers, there's still plenty of margin for them to be highly competitive—as U.S. radio industry knows so well. Japan Trade Center figures factory price to be about one-quarter of retail. Average value of radios increased in Dec. to $8.93 (see table on p. 20), probably indicating declining volume of "toys" and larger number of deluxe 8-transistor models. In 1957, some 601,208 radios were shipped to U.S. (at $5.3 million factory value), up from 368,040 in 1956.

Japan produced 5,270,000 radios last year, of which about 72% were exported—some 66% of its radio exports going to U.S. The 1957 production totaled 3.8 million, up from 3 million in 1956 and 2 million in 1955. In 1958, radios accounted for 75% of Japan's electronic exports, parts & components 10.3%, tubes 5.2%, amplifiers & microphones 3.1%.

Japan produced 1,215,668 TV sets last year, and now is turning them out at annual rate of about 2,200,000. Because domestic demand has been so high, exports have been limited to Far East (mainly Thailand & Hong Kong), Near East and Sweden.

Japan's fabulous transistor industry turned out 26,730,000 last year (more than half U.S. output of 47 million), almost 5 times the 5,740,000 of 1957. In 1956, only 560,000 were produced, up from 85,000 in 1955. Aside from samples, no transistors (except those in assembled equipment) were exported to U.S. last year. That this policy is changing in 1959 is indicated by Japan Trade Ministry's recent approval of shipment of 50,000 transistors to Motorola (Vol. 15:5). There are some U.S. set makers who think Japanese transistors may provide key to low-cost American-made battery-operated TV sets.

For all Japanese electronic exports, U.S. was biggest customer by far last year, taking 46%. Canada was next with 6.1%. Then Hong Kong 3.5%, Korea 3.2%, West Germany & Thailand 2.9% each, Formosa 2.6%, Burma 2.3%, Venezuela, Mexico & Tangier 2.2% each, South Africa & Sweden 2.1%, Netherlands 2%.

To give you an idea of the variety of Japanese electronic exports—and the prominence of radios—here's table of all U.S. imports from Japan in Dec. 1958, which trade authorities call a "typical month:"

Product	*Units*	*Factory value*	*Av. price per unit*
Radios	254,258	$2,269,341	$ 8.93
Phonographs	41	1,322	32.24
Microphones	10,625	26,003	2.45
Amplifiers	9,961	37,615	3.78
Receiving tubes	197,710	48,507	.25
Variable capacitors	105,162	4,788	.04½
Fixed capacitors	820,960	32,060	.04
Wireless equip. (incl. parts)	—	113,716	—
TOTAL		$2,540,000 (approx.)	

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Japan's electronics industry sold total volume of about $560 million last year—not high by U.S. standards, but quite impressive considering quantity of goods turned out per dollar. Among Japan's "big 10" in manufacturing are 2 companies in electronics field—Hitachi, 2nd biggest, which turns out electronics among wide variety of other products and whose combined sales total about $330 million, and Tokyo Shibaura Electric (Toshiba), No. 4, which makes $210 million worth of electronics, appliances & electrical machinery.

Further reports on what Japanese plans mean to U.S. electronics companies, and the reactions and plans of American TV-radio-phono makers, will be featured in future issues.

INDUSTRY UNCONCERNED ABOUT 'SET CONTROL': "Too ridiculous to talk about" . . . "They'll never put it across" . . . "Probably unconstitutional" . . . "Premature—solve the allocations problem first."

These are some comments to us by TV receiver makers—those who bothered to comment at all—on FCC's proposal that Congress ban interstate shipment of sets which can't receive all allocated channels (Vol. 15:11, 16). You'll find the complete proposal spelled out in the Special Supplement on FCC's allocations proposals with this issue.

Most set makers were just plain disinterested—or couldn't believe that proposal stands any chance at all. This same reaction was expressed during EIA's March board meeting in Washington, where the possibility was discussed by exec. v.p. James D. Secrest & general counsel William Reynolds. EIA will discuss proposal again—now that it's been formally made by FCC—at its Chicago convention May 20-22, or will consult its consumer products div. for an opinion earlier if Senate Commerce Committee wants manufacturers' comments before convention.

Ban on partial-channel receivers is only one part of FCC's proposed set-control law. Commission also suggests that it be "empowered [to] set reasonable standards in the public interest with reference to the quality of the receivers." Such power over receivers would be unprecedented. Said FCC: "Pursuant to such a mandate, after a given period to permit a changeover, the Commission might, for example, withhold type-approval of uhf tuners which were substantially inferior to vhf receivers."

Ideal solution to all-channel problem—supported by entire set-manufacturing & telecasting industry plus FCC, but opposed by Administration—is simple exemption of all-channel sets from 10% manufacturers excise tax. This has been introduced in Congress every year for 6 years now—including this year—and never has come close to passage. One set maker speculated: "Maybe that's the idea the FCC is really trying to put across—by the back door."

TV-RADIO PRODUCTION: TV set production was 95,023 in week ended April 17 vs. 106,691 in preceding week & 76,118 in same 1958 week, EIA reports. Year's 15th week brought production to 1,591,268 vs. 1,372,579 last year. Radio production was 270,658 (98,141 auto) vs. 254, 390 (99,199 auto) in preceding week & 158,588 (42,605 auto) year ago. In 15 weeks: 4,119,881 (1,561,357 auto) vs. 2,930,040 (948,253 auto) year ago.

Philco Sues Admiral: A patent infringement damage suit was filed last week in U.S. District Court for Del. by Philco against Admiral, alleging that Admiral is advertising & selling a portable TV set which incorporates "salient features" of Philco's "Slender Seventeener," introduced in June 1958. Asking for an injunction, an accounting of Admiral profits from sales of its set and "damages derived from its infringement," Philco told the court that Admiral not only adopted the patented design of the Philco receiver but "substantially copied various features of the advertising" for it.

"World's first portable stereo AM-FM radio-phono" is the claim made by Emerson for its Model 912 unit with 2-channel sound and 2 speaker systems for stereo AM-FM simulcasts plus 4-speed stereo record changer. Power output is 5 watts, suggested list $168. Also introduced by Emerson last week were two 21-in. combinations: Model 1480, with stereo AM-FM-phono, complete 2-channel sound, console model, $498; Model 1448, with AM radio, phono, dual-channel stereo amplifier, single 3-speaker system, $398.

Crosby-Teletronics Corp. is the new firm resulting from the merger of Crosby Labs Inc., Syosset, N.Y., and Teletronics Lab Inc., Westbury, N.Y. Crosby Labs is the developer of a compatible FM stereo multiplex system being considered by NSRC. Teletronics makes test equipment. Murray G. Crosby is pres. & research director of the new firm; Teletronics pres. Robert S. Marston becomes exec. v.p.-secy.; George F. Richards of Teletronics is engineering v.p. The new company has 14 stockholders.

Transcripts of the National Electronics Conference, 1958, are now available. The papers delivered at the October meeting in Chicago cover developments in TV, transistors, antennas, solid state, microwaves, industrial electronics, among others. Vol. 14, NEC Proceedings, 1080 pages, is $7.50. Write NEC, Rm. 2104, 228 N. La Salle St., Chicago 1.

Magnavox is entering the jobber market with a line of its loudspeakers, heretofore available only to manufacturers. Eight most widely used standard models will be offered to audiophiles through regular parts distribution channels.

Sales of Hoffman TV sets for the first 12 weeks of 1959 were 11.9% ahead of the 1958 period, and shipments to distributors were 25% ahead, according to consumer products div. mgr. Ray B. Cox.

Zenith has filed patent suit against Motorola in Chicago Federal Court, charging infringement of 5 patents covering its Fringelock circuit and Space Command remote tuning.

Most-Wanted Appliances: TV sets are holding up well in comparison to other household appliances in consumer buying plans, the National Industrial Conference Board reports in its Feb. *Business Record.* The board is conducting a continuing survey of householders' purchasing intentions, sponsored by *Newsweek.* A preliminary estimate, based on 4400 interviews conducted with heads of households in January, shows increased plans to buy refrigerators, TV sets, air conditioners, and vacuum cleaners, as compared to Dec.

Appliances for which buying plans declined are dishwashers, washing machines, clothes dryers, and deep freezers. NICB points out that plans to buy dishwashers & washing machines have hitherto been particularly strong. The figures have not yet been released.

In the Nov.-Dec. period, based on buying plans of consumers during July-Aug. as a base of 100, appliance-buying plans were, in index numbers: air conditioner 110, dishwasher 119, clothes dryer 117, freezer 94, range 121, refrigerator 105, TV 104, vacuum cleaner 98, washing machine 106.

Public prefers 23-in. tube to 21-in. by a 3-1 margin, according to a survey of visitors to the big Corning Glass Center at Corning, N.Y. As part of its marketing studies on public preferences in tube sizes & shapes, Corning displayed the 2 tubes side by side in operating TV sets at its Glass Center. Asked to express their preference, three-quarters of the visitors chose the new shape.

Magnavox has received a $13.5 million order for lightweight radar developed by its military & industrial div. Large additional orders are expected, pres. Frank Freimann says. With orders for digital & graphic-electronic data processors, 1959 new business totals $23 million, bringing backlog to a high in excess of $50 million.

Zenith clock-radios now have "Snooz-Alarm" in two models. Buzzer sounds, then again in 7 min., if user wishes, with 6 different reminders given at intervals. The Nocturne model has a $39.95 suggested price, and the Empress, with appliance outlet & 3-gang condenser, $49.95.

RCA's Frequency Bureau and its Patent Dept. on May 1 move to 712 Pennsylvania Bldg., 425 13th St. NW, Washington. The former will change telephone to District 7-9680, and latter will retain National 8-4338.

Emerson and Du Mont TV-radio-hi-fi lines will be displayed in a ground-floor showroom at Canada House, 680 Fifth Ave., N.Y. Emerson has rented 10,000 ft. of space in the building with a $1,300,000 lease.

Packard-Bell has obtained a majority interest in Technical Industries Corp., newly-formed Pasadena company which makes atomic-reactor instruments.

Trade Personals: H. Leslie Hoffman, Hoffman Electronics pres., convalescing after surgery in Huntington Memorial Hospital, Pasadena . . . Peter J. Grant promoted from national sales mgr. to v.p., national sales, Sylvania Home Electronics Corp., subsidiary of Sylvania Electric Products. Forrest W. Price, from Sylvania Sales Corp. to v.p., operations. George T. Stewart, from mgr. to v.p., distribution.

G. W. Pfister appointed to new post of v.p. & operations mgr., RCA Service Co. **Lawrence G. Borgeson** succeeds him as v.p., consumer products service. Succeeding Borgeson, who was mgr., consumer products field operation, is Robert C. Gray. **Howard W. Johnson** succeeds Gray as mgr., appliance service . . . Clyde J. Schultz, ex-Shure Bros., appointed sales promotion mgr. for national service, parts & accessories div. of Admiral.

Richard D. Sharp, ex-United Printers, named to new post of mktg. dir., home products div., Packard-Bell Electronics . . . D. E. Perry, named mktg. mgr., for housewares & radio receivers, GE Supply Co. **J. C. Hunt** appointed customer relations mgr. for housewares & radio receivers, GE, Bridgeport . . . **Rodney D. Chipp** named engineering dir., ITT . . . **Frederick H. Guterman** appointed gen. mgr., industrial products div., ITT, replacing **Joseph A. Frabutt.**

Robert M. Jennings, gen. mgr., Canadian GE small appliance div., Barrie, Ont.; **W. Frank Wansbrough**, gen. mgr., appliance & TV dept., Montreal; **Walter G. Ward**, gen. mgr., apparatus dept., Peterboro, Ont., all named v.p.'s . . . **Alwyn L. Carty Jr.**, ex-Sylvania, appointed dir. of contracts, Adler Electronics . . . **William A. Fink**, ex-Ampex, named sales mgr., professional products, ORRadio.

Vincent E. O'Sullivan appointed adv. & sales promotion supervisor, parts div. & chemical & metallurgical div., Sylvania Electronic Systems . . . **Samuel Frankel** of Continental Merchandise Co., importer of Japanese radios & lighters, named v.p., National Council of American Importers . . . **Donald C. Power**, chmn. & chief exec. officer of General Telephone and Electronics, elected to board of Curtiss-Wright **Corp.**

Edward O. Johnson appointed mgr., high temperature product development, RCA semiconductor & materials div. . . . **Anthony M. Barnise** appointed head of contracts, Stromberg-Carlson . . . **John R. Price** promoted from adv. dir. to adv. & public relations dir. of Gates Radio Co.

Robert N. Baggs, former RCA Service Corp. sales v.p., elected RCA Sales Corp. v.p. for special sales accounts . . . **Harold H. Hart Jr.**, ex-Du Mont Labs, named regional sales mgr. for metropolitan N. Y. & northern N. J., Dutrex Industries, the sales & mktg. outlet for Du Mont (ABD) renewal-type TV picture tubes & radio & TV receiving tubes . . . **Frank S. Amaru** appointed mgr., record sales & merchandising, Latin America, RCA International . . . **Gerald G. Griffin** appointed mgr., merchandising, parts & equipment; **Joseph J. Kearney** mgr., merchandising, entertainment tubes; **Morris S. Lewis** mgr., merchandising coordination—all in distributor products dept., RCA electron tube div. . . . **John D. Stout Jr.**, former v.p., Hartford National Bank & Trust Co., elected v.p. & financial dir., Philips Industries.

Obituary

Sir Stanley Angwin, 75, British communications expert who helped to establish the trans-Atlantic telephone system, died April 21 in Welwyn Garden City, England.

Stephen J. Powers, 54, retired research & engineering v.p., ITT, N.Y., died April 19 of a heart attack. Surviving are his widow, a daughter, 3 brothers and 3 sisters.

Electronics Personals: Trevor Gardner, ex-asst. Secy. of Air Force, now Hycon chmn., named to 18-member advisory committee on science & technology of Democratic Advisory Council, headed by Dr. Ernest Pollard of Yale . . . **Dr. John W. McRae**, AT&T v.p. & coordinator of defense activities for Bell System, raised from vice-chmn. to chmn. of the Army Scientific Advisory Panel, succeeding Richard S. Morse (Vol. 15:16).

J. W. Evans, chief of govt. liaison, named dir.; **F. H. Moore**, asst. chief design engineer, named technical dir., advance planning staff, Hazeltine electronics div. . . . **Henry I. Metz**, ex-chief of FAA navigational aids engineering div., joins Capitol Radio Engineering Institute Inc. as engineering v.p.

Fred J. Agnich elected Texas Instruments v.p. to head new geosciences & instrumentation div. He has also been promoted from pres. to board chmn., Geophysical Service Inc., wholly-owned TI subsidiary. **R. C. Dunlap Jr.** succeeds Agnich as GSI pres.

Distributor Notes: Telefunken Professional Products appoints Audio Fidelity Inc. exclusive distributor for the U.S. . . . **Albert G. Vigneau** appointed to new post of gen. mgr., Motorola-Eureka div. of Allied Appliance Co., Boston . . . Charles L. Dwyer named gen. mgr., Webcor Sales Co., Chicago, a wholly-owned Webcor subsidiary. He succeeds Gordon Hough, resigned.

Joseph Minarik named to new post of sales mgr., Motorola div., Philadelphia Distributors. **Edward Hughes** named field sales mgr. of Motorola products.

Appointment of 17 committees of the Assoc. of Electronic Parts & Equipment Manufacturers has been announced by pres. Robert E. Svoboda of Amphenol-Borg. To head the committees: **Norman Ackerman** of Perma-Power, Industry Relations. Mike **Remund** of Jensen Industries, Program & Attendance. **Roy Vetzner** of Vaco, Membership. **Jay Greengard** of Waldom, Orientation. **Joe Morin** of Howard W. Sams & Co., Education. **Ray Mattson** of Belden, Credit. **Dave Rice** of Electronic Publishing, Conference Coordination. **Mel Krumrey** of Quam-Nichols, Social. **Dan O'Connel** of Radion, Survey. **W. L. Larson** of Switchcraft, Publicity. **Bruce Vinkemulder** of Centralab, Industrial Distribution. **Howard Harwood** of Shure Bros., Advertising. **Ralph Hill** of Grayhill, Catalog. **Ken Hathaway** of Ward Leonard, Finance. **Helen S. Quam** of Quam-Nichols, Nominating. Industry Coordination & Advisory committees will be headed by **Helen Staniland Quam**, chairman, and **A. N. Haas**, Bud Radio, vice-chairman—both past presidents of EP&EM.

Joseph B. Elliott, pres. of Tele-Dynamics, has been named chairman of the newly-formed EIA small business committee. The 11-man body will review the SBA's definition of "small business" and legislation affecting small business. Others on the committee: Ben Adler, Adler Electronics; Roland M. Bixler, J-B-T Instruments; A. N. Haas, Bud Radio; Harry W. Houck, Measurements div. of McGraw-Edison; K. F. Julin, Leach Corp.; Jos. J. Kurland, Illinois Condenser; Wilfred L. Larson, Switchcraft; L. M. Sandwick, Pilot Radio; Edward C. Tudor, IDEA Inc.; Ray Zender, Lenz Electric.

Canadian TV sales to dealers by distributors totaled 31,701 in Feb., down from 31,741 in Jan. and 33,333 in Feb. 1958. For 1959's first 2 months, total sales were 63,442 vs. 67,068 in last year's same period.

Finance

Metropolitan's Gains: Metropolitan Bcstg. Corp. reported its second year in the black in the 7 years since it was spun off by DuMont Labs. Now under management of John W. Kluge, it reported an increase in 1958 of more than 40% in gross revenue and a fourfold rise in net income. Net operating income before depreciation, amortization & taxes for 1958 was $2,439,033 ($1.58 a share) vs. $1,350,-269 (88¢) in 1957.

The 1958 results include WNEW-TV & WNEW N.Y. and WTTG Washington for the full year, and radio WHK Cleveland for 7 months. In 1957, the 2 TV stations were included for the full year and radio WNEW for 7 months. The 1958 income is subject to special writeoffs of $630,313 (40¢ per share). No federal income taxes were payable due to loss carry-forward. For the year ended Dec. 31:

	1958	1957
Gross revenues	$14,427,752	$10,293,587
Net income	932,348	243,460
Earned per share	60¢	16¢

Biggest corporate money-maker of all is AT&T, whose net profits leaped 14.8% to $952.3 million in 1958 from $829.8 million in 1957, when it was also no. 1 in net profits. It heads the list of "1958's biggest earners" in April 18 *Business Week*. Other electronics & related companies on the "top-40" list: GE, 9th, $242.9 million (down 2% from 1957 when it was 10th with $247.9 million). IBM, 13th, $126.3 million (up 41.4% from 20th with $89.3 million). Western Electric, 19th, $85.9 million (up 1.5% from $84.6 million, not on 1957 list). Westinghouse, 24th, $74.8 (up 2.9% from 27th position with $72.7 million). General Telephone (before merger with Sylvania), 37th, $50.8 million, up 11.2% from $45.7 million, not on 1957 list).

Avnet Electronics Corp., Westbury, N. H. maker of diodes, transistors, capacitors & other electronic products, has asked the SEC (File 2-14993) to register 175,000 common stock shares for public sale at $5.75 per share through an underwriting group headed by Michael G. Kletz & Co. and Thomas Treat & Co. Proceeds from sale of 100,000 shares would be added to Avnet's general funds.

Reports & comments available: 20th Century-Fox, an analysis by Hill, Darlington & Co. 40 Wall St., N.Y. . . . **United Artists**, comment by du Pont, Homsey & Co. 31 Milk St., Boston . . . **P. R. Mallory**, a review by A. M. Kidder, 1 Wall St. and by Eisele & King, Libaire, Stout, 50 Broadway, N.Y. . . . **Hoffman Electronics**, reviewed by Merrill, Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. . . . **Amphenol-Borg**, a report by Schweickhardt & Co., Hibernia Bldg., New Orleans . . . **Emerson Radio**, discussed by Eastman Dillon, Union Securities, 15 Broad St., N.Y. . . . **RCA**, comments by Purcell & Co., 50 Broadway, N.Y.

CBS Inc. common stock will be traded on an unlisted basis on the Detroit Stock Exchange under an order issued by the SEC at the request of the Exchange. The stock is listed & registered on N. Y. & Pacific Coast Stock Exchanges.

Common Stock Dividends

Corporation	*Amt.*	*Payable*	*Stk. of record*
Oak Mfg. Co.	$0.25	Jun. 15	May 29
Paramount Pictures	.50	Jun. 12	May 25
Siegler Corp.	.10	Jun. 15	Jun. 1
Siegler Corp.	3% stk.	Jun. 15	Jun. 1
Sperry Rand	.20	Jun. 25	May 14

Packard-Bell reports net earnings for 6 months ended March 31 were 74% higher than the comparable 1958 period, while sales were up 43%. Pres. Robert S. Bell said all 4 divisions showed gains. The home products div. boosted its sales more than 18% over the first half of the last fiscal year. "Although dollar volume in color TV was small, sales increased threefold," said Bell. The technical products div. registered a 52% sales increase, and the business of the Bellwood div. (doors & pre-finished wood paneling) "almost doubled its business." Bell said the company will break ground for the first building in its Newbury Park, Cal., electronics center before Sept. 30. For 6 months ended March 31:

	1959	1958
Sales	$24,125,962	$16,918,971
Net income	717,723	412,935
Earned per share	1.04	60¢
Shares outstanding	691,600	688,000

Electronics Investment Corp., mutual fund headed by Charles E. Salik, has declared a record capital gains distribution of 43¢ per share payable (in stock or cash) May 29 to stockholders of record May 1. This is in addition to the 3¢ dividend, payable at the same time.

AB-PT's first-quarter profits were 25% higher than in first-quarter 1958, according to Pres. Leonard H. Goldenson. He said the key factor was the improved showing by ABC-TV network, with ABC radio network, owned stations and record business all showing improved results.

Siegler Corp.—parent of Olympic Radio, Presto, Bogen, Hallamore Electronics (closed circuit)—reports earnings in its 3d quarter up 141% from the same period in 1958. Sales were 5% better. The 9-month period produced sales $2.8 million greater than the previous fiscal year's first 9 months, equal to an additional 47¢ per share. For 13 weeks ended March 31:

	1959	1958
Sales	$19,101,362	$18,170,224
Net earnings	500,419	207,033
Earned per share	33¢	14¢
Shares outstanding	1,559,655	1,515,306
For 9 months ended March 31:		
Sales	$60,269,081	$57,450,030
Net earnings	1,732,080	964,814
Earned per share	$1.11	64¢

Electro-Voice increased its annual sales by $2.4 million in the last fiscal year. Shares are adjusted for a 50-to-1 stock split in Jan. 1959. For the year ended Feb. 28:

	1959	1958
Sales	$11,764,676	$ 9,379,132
Net earnings	620,519	353,188
Earned per share	1.31	89¢
Shares Outstanding	473,650	398,800

American Bosch Arma improved its earnings 63% for the first quarter of 1959, compared to the like period in 1958. For 3 months ended March 31:

	1959	1958
Net sales	$31,177,327	$27,018,890
Net income	1,444,995	886,708
Earned per com. share	76¢	46¢

Texas Instruments Inc.'s first-quarter earnings were up 116%, with sales up 46%, pres. Patrick E. Haggerty told stockholders April 17 in Dallas. The meeting voted approval of the merger of Metals & Controls Corp. into Texas Instruments. The acquired company makes thermostatic & electrical controls, nuclear fuel elements & cores. M&C's first quarter was also successful, with earnings of $583,000 compared to $513,000 in the first quarter of 1958. TI's report for 13 weeks ended March 31:

	1959	1958
Sales	$29,993,000	$20,480,000
Net earnings	2,400,000	1,109,000
Earned per com. share	74¢	34¢
Shares outstanding	3,256,988	3,256,988

TelePrompTer Corp. reported that its 7th consecutive yearly gain in 1958 enabled it to convert the preceding year's loss into a net profit. Chairman-pres. Irving B. Kahn said all the company's products & services—equipment leases & sales, network TV & film service, closed-circuit TV, industrial staging—"contributed importantly" to the 51% gain in sales. For the year ended Dec. 31:

	1958	1957
Gross revenues	$3,414,499	$2,264,345
Net earnings (loss in '57).	41,956	(212,694)
Earned per share	12¢	—
Shares outstanding	356,591	356,591

United Artists increased annual gross revenues & net earnings for the 8th consecutive year, establishing new record highs in both categories. The earning improvement over 1957 was 13.47%. The comparative earnings per share for 1957 were adjusted to the 1,367,485 outstanding at the close of 1958. For year ended Dec. 31:

	1958	1957
Gross revenue	$84,072,467	$70,008,242
Net earnings	3,701,963	3,262,466
Earned per share	$2.71	$2.39

Muter Co.'s first quarter earnings were well over the 1958 period, stockholders were told at the annual meeting in Chicago. Directors may later restore a cash dividend, last paid in 1955. Per-share earnings for 1958 include a 5% stock dividend paid Jan. 1959. For 13 weeks ended March 31:

	1959	1958
Sales	$3,318,701	$2,628,721
Net earnings	119,374	23,540
Earned per share	15¢	3¢
Shares outstanding	800,313	762,729

General Bronze Corp. improved its earnings 41% for the first quarter compared to 1958. For 13 weeks ended March 31:

	1959	1958
Sales	$9,569,143	$6,209,144
Net earnings	271,928	192,909
Earned per share	71¢	51¢
Shares outstanding	381,517	380,377

Canadian Admiral Corp. reported an increase in sales & net earnings for 1958. The report (which includes subsidiary Canadian Admiral Sales Ltd.) for the year ended Dec. 31:

	1958	1957
Net sales	$19,793,363	$18,459,353
Net earnings	589,457	333,470

Oak Mfg. Co. reports increased profits & sales for the first quarter of 1959, compared to the 1958 period. For 13 weeks ended March 31:

	1959	1958
Sales	$4,271,905	$3,459,158
Net earnings	218,140	30,654

Clarostat Mfg. Co. reports profitable operation for the first quarter, as opposed to a loss for the comparable 1958 eriod. For 3 months ended March 31:

	1959	1958
Shipments	$2,033,000	$1,438,000
Net income (loss in '58)	88,600	(117,400)

WEEKLY Television Digest

SPECIAL SUPPLEMENT

APRIL 27, 1959

Full text of

FCC's Recommendations to Congress on Allocations

Presented by Chairman John C. Doerfer to Senate Committee on Interstate & Foreign Commerce and Released by The Committee April 23, 1959

With Separate Statement of Comr. Bartley and Statistical Appendices

Mr. Chairman and Members of the Committee:

Introduction

Since our previous appearance before your Committee in May 1958, the Commission has been studying intensively the television allocation problem. We have given this study No. 1 priority, and have met frequently to discuss various alternative courses of action. A special staff group, assigned to this study, was directed to prepare test assignment plans and such other analyses as required by the Commission.

Recently, also, the Commission received the report of the Television Allocations Study Organization (TASO) embodying the results of its research into the technical aspects of present and potential vhf and uhf television service. The TASO work included studies of transmitting and receiving equipment, prediction and measurement of signal propagation, and subjective determinations of picture quality levels, together with field tests and theoretical analyses of television service. TASO's functions were limited by its charter to technical study, fact finding, investigation, and interpretation of technical data. Accordingly, TASO has not recommended any specific technical standards for the Commission to use in its regulatory work. The selection of such specifications remains the Commission's responsibility, but complete data were supplied from which such a choice could be made. Furthermore, the TASO data on equipment were based on current design and performance, and estimates of possible future improvements are left for the Commission to determine.

The work of TASO has been concluded, with the exception of tests of directional transmitting antennas, and the preparation of a final report of the panel dealing with analysis of the accumulated data. It is expected that these remaining tasks will be accomplished within the next few months.

The TASO report is a comprehensive and useful compilation of technical data on the various factors affecting television service. These data have been taken into account generally by the Commission in this presentation. Further detailed study of the TASO report will be a part of the Commission's continuing consideration of television allocations and service.

In the course of the Commission's deliberations to date, we have reached substantial agreement on two general conclusions, as follows:

1. No rearrangement of the 12 vhf channels can provide for a nationwide, competitive television system, adequate for the reasonable needs of our growing population and expanding economy. While the Commission has stated this conclusion on a number of previous occasions, we deemed it highly desirable to subject this view to a critical reevaluation. Accordingly, we examined various methods of extending the use of the 12 vhf channels, from reducing present minimum co-channel and adjacent channel spacings to an overall reshuffling of television assignments. Various engineering concepts of allocation were explored in practical interrelationship with economic and policy criteria. These studies demonstrated that while immediate shortages in some communities could be alleviated, other long-range public interest criteria could not be satisfied within a 12-channel system.

2. The Commission is likewise convinced that "deintermixture"—the assignment of vhf-only facilities to some communities, and uhf-only to others—cannot provide a long-term answer to the allocations dilemma. Deintermixture limited to selected communities cannot provide the needed stimulus for future uhf expansion. Area deintermixture, on the other hand, would involve large-scale disruption to the public and introduce inequities and inefficiency in the distribution of station facilities among the separate communities and states.

The alternative policies, which we have studied, may be summarized, as follows:

a. A 50-channel vhf system, retaining the present 12 vhf channels.

b. A contiguous 50-channel vhf system, retaining the present vhf channels 7-13 and withdrawing from television use ch. 2-6.

c. A contiguous 25-channel vhf system, retaining ch. 7-13.

d. The present 82-channel vhf-uhf system.

e. A 70-channel all-uhf system.

The Commission feels that before it can finally agree on one or another of these alternatives, it must ascertain whether a wholesale reallocation of vhf spectrum space would be feasible and in the public interest. In this connection, the Commission is currently exploring with the Government (OCDM) the possibility of reallocating the government band above 216 mc to non-Government use. We are hopeful that a definite answer to this question can be given within the next few months. While the same question was answered in the negative in 1956, the Commission feels that renewed discussions with Government allocation officials on this issue are very much in order. Certainly, our search for a solution would be incomplete without a final determination of the possibility of a vhf reallocation.

If, however, additional vhf frequencies become available for non-government assignment, the Commission must consider the needs not only of television but of other vital radio services seeking additional space in this portion of the spectrum. The requirements of these services for frequencies are currently being examined by the Commission in a general reallocation proceeding involving the spectrum between 25 and 890 mc. (Docket No. 11997).

Statement of Problem

The crux of the television allocation problem is the severe limitation on the number of stations, arising from the inability of the uhf broadcasting stations to develop as an integral part of a nationwide, competitive television system. Station growth has practically reached its ceiling within the 12 vhf channels allocated to television, while only minor clusters of stations presently survive within the 70 uhf channels.

As of April 1, a total of 434 vhf and 75 uhf commercial stations were in operation in 268 TV markets (See Appendix A). These figures have changed little during the past two years, although the economic indices of the industry continue their upward trend and the potentialities for profitable operation at least in the larger markets are highly attractive.

The Commission's hope for the commercial success of uhf television expressed in the Sixth Report & Order has not materialized. Since 1952, almost half of the 369 permits for uhf stations have been voluntarily surrendered. Even more significantly, 90 of the 165 uhf stations which were constructed and put into operation are now off the air. By way of contrast, in the same period only about 10% of the vhf permits issued have been turned back and only 6 out of the 333 vhf stations constructed are now off the air.

Nor are there any favorable trends pointing toward a substantial improvement in the uhf situation. Current statistics of the TV set-manufacturing industry indicate that production of all-channel receivers has dropped below 10% of total production. A recent commercial nationwide survey of TV homes in the Spring of 1958 reported only 3.2 million TV homes vewing one or more uhf stations. (A similar survey in 1956 reported 3.7 million uhf homes.) Furthermore, of the 75 commercial uhf stations in operation during the first half of 1958, only 26 or 33% reported profitable operations.

The inability of uhf stations to prosper in the presence of vhf service has severely limited the opportunities to establish additional stations in many markets throughout the nation. For example, among 103 top television markets there are 36 with less than 3 vhf or 3 uhf stations now in operation or anticipated. Many of these are numbered among the nation's largest population centers, such as Hartford-New Haven, Grand Rapids-Kalamazoo, Birmingham, Providence, Dayton, Toledo, Syracuse, and Rochester. In virtually all of these areas, the shortage of facilities in operation is a serious obstacle to fully effective competition both at the network and the community levels.

The inability of uhf to provide additional television outlets has been felt keenly in these 36 markets. The table below describes the uhf history in these markets:

TV markets among top 103 with less than 3 vhf assignments and in which:	No. of Markets
Uhf is now on the air	11
Uhf failed	8
Uhf never attempted	17
Total	36

Of the 11 markets in this group where uhf is now on the air in competition with vhf, the uhf operators in most of these communities have filed petitions with the Commission alleging inability to survive and urging the Commission to provide relief through substitution of vhf for uhf, or through deintermixture of all-uhf.

Uhf stations tend to persist mainly in those areas where only negligible vhf service is available to the community by virtue of either distance or terrain. Outside the top 103 TV markets, uhf is operating in 33 communities; all but 5 of these are uhf-only. Many of these uhf-only communities receive some vhf service from other areas and this, coupled with the fact that the uhf-only market is typically small, leads in most cases to unprofitable operation for the uhf.

Under these circumstances, it is clear that virtually no opportunity exists under the present allocation plan for long-term growth in the number of television stations. Only 70 of the total commercial vhf assignments within the continental United States are potentially available for new stations, and these are located in sparsely populated areas of the North Central and Western States. Few, if any, can be utilized in areas where demand now exists for stations.

Any allocation plan designed to meet the nation's television needs must provide opportunity for expansion. No precise formula is available for gauging the extent of future demand for television service. It must be assumed, however, that the television broadcasting industry, which has grown into a billion-dollar industry in the short space of 10 years, would continue to expand substantially provided additional channels were available on which stations could operate on a competitive basis.

The task is to shape an allocation plan that will foster an expanding and competitive nationwide television system. Such an allocation plan should provide adequately, within the framework of private operation, for coverage of all the people, for local community outlets, for competition particularly in the larger markets, and for educational needs.

These characteristics of a nationwide television system have been often stated by the Commission. The prime importance which the Commission attaches to encouraging nationwide service and the great value it places on local community outlets and educational television are generally known. A word of explanation is in order, however, regarding the need for competitive facilities in the larger markets. In the Sixth Report, and in subsequent amendments to the Table of Assignments, the Commission allocated an average of 6-7 commercial and educational assignments to each of the top 100 television markets, with a maximum of 10. This was appropriate with 82 channels and the expectation that uhf would be competitive. In its current studies, however, the Commission has faced the hard question: What is the appropriate number of assignments which should be made to these major population centers, assuming that the present TV allocation plan must be altered and less overall spectrum space is available to television?

The Commission's answer is that it would be desirable in the public interest to assign at least 5 stations (4 commercial and 1 educational) to each major television market, if this can be done consistent with the availability of spectrum space and the needs of other radio services. In general, these major markets have 100,000 or more homes within the area covered by a TV station signal, and include combinations of separate communities following the actual pattern of national television advertising (e.g. Hartford-New Haven-New Britain-Waterbury is defined as one market). Adequate stations in these markets are critically necessary both for satisfying the requirements of national and local competition.

Prior to the establishment of television stations in small towns, coverage of the rural and fringe population is dependent, primarily, on service from stations in the large urban centers where advertising support first develops. The stations located in these top 100 markets can reach approximately 85 percent of all homes, thus providing the basic framework for a nationwide service.

Similarly, the number of outlets in these markets is directly related to the opportunities for competition among networks and other television program suppliers. If there are adequate facilities in these markets the industry as a whole benefits. Advertiser support for the medium is stimulated, and the supply of program fare is expanded. The greater availability of program product is of benefit to all stations, large and small, as well as to the public.

Compared to the present situation, five television stations allocated to and operating in each of the top 100 markets would encourage existing and new network competition, more fully satisfy other national and local needs, and provide more adequately for the nation's educational television service.

* * * *

The remainder of this presentation discusses each alternative course of action looking toward the development of a television system generally geared to the above criteria.

Television with 12 Vhf Channels

The number of stations within the 12 vhf channels has practically reached its ceiling, given current co-channel and adjacent-channel minimum spacing requirements. The approximately 70 vhf station assignments currently unapplied for are in areas with very low population density, and these assignments cannot be transferred to areas where additional stations are in active demand. Any possibilities for dropping-in additional assignments, or moving unused assignments, are so limited as to be considered practically insignificant.

One obvious method of increasing the number of stations in the vhf band is to reduce station spacing requirements. This technique can be used to remedy current shortages in a number of markets. It cannot, however, provide sufficient outlets to satisfy the long-run, expanding needs of television as set forth in our criteria.

This conclusion is based directly on test plans embodying three different approaches to the distribution of assignments within 12 vhf channels. In one approach all existing vhf assignments were left undisturbed, and new assignments were squeezed in at reduced spacing. This plan demonstrated that any sizeable increase in the number of outlets could be obtained only through drastic reduction in station spacing. Because of the geographical distribution pattern of cities, a large increase in assignments is obtainable only at minimum co-channel spacings in the neighborhood of 100 miles. With such spacing, the usable signal of the squeezed-in stations would extend only a few miles in the direction of operating stations on the same channel, if full protection were afforded the service areas of existing stations. The alternative would be to reduce the service range of established stations in order to provide an economically feasible service area for the new stations. Under this latter alternative, coverage of both the new and the established stations would be limited effectively to 30-35 miles. (The technical parameters used in the test assignment plans are shown in Appendix B.)

Such shrinkage in the service areas of individual stations results in "white" areas where mutual interference destroys service now available. The rural and fringe population residing in these areas would be deprived effectively of television service unless or until new stations were established nearby. Thus, a plan which requires general reduction in station spacing may delete some or all of the program services for an indefinite period in many homes where such program services are now available.

Moreover, despite its many unrealistic spacings, the test plan did not contain sufficient outlets to meet the Commission's criteria. It fell short of providing even four stations to each of the top 100 markets. The greatest weakness of the plan was its inability to meet the long-run needs of communities for local outlets. It could not satisfy even the current needs of these communities. For example, it did not permit sufficient vhf assignments to replace the assignments of all *operating* uhf stations in the same communities. It was unable, likewise, to provide a vhf facility in each community where a uhf permit is currently held, or where uhf operation has been attempted and failed.

Generally, the same shortcomings are evident in two other plans of assignment within the 12 vhf channels. In one of these plans, less extreme cuts in station spacing were used but the present frequency assignments of operating vhf stations were extensively reshuffled as though the television industry were starting from scratch. While this plan was more efficient than the other alternatives, it too involved reduced station service areas and insufficient room for the growth of competitive stations in the larger markets or of local outlets in smaller communities.

The third approach also started from scratch without regard to the present frequency assignments of stations; it attempted to assign channels in clusters rather than individually as a means of maximizing channel efficiency. This principle could not be applied generally, however, because of the variegated pattern of distances between cities, the impracticability of assigning the same number of stations uniformly to all communities, and the limitations involved in protecting against adjacent channel interference. This approach proved little more than an exercise: it would disrupt the present vhf television structure without significant compensating benefits.

In our analysis, we also considered the possibilities of using precision offset and directional antennas. Based on the latest available data, it appears that neither of these techniques can overcome the inherent limitations of a 12-channel system. Theoretically, with precision offset co-channel separation could be reduced from 170 miles to 140 miles without reducing the service areas of the stations. This calculation is based on theoretical computations; it has not been subjected to the rigors of general field testing involving a large group of stations. More important, a reduction in minimum spacing of this order cannot make possible the needed flexibilty and expansiveness of assignments. As stated above, a significant increase in the number of assignments is possible only if co-channel spacing is reduced to 100 miles, but at this level precision offset is relatively ineffective in maintaining adequate service areas.

With respect to directional antennas, it has not yet been demonstrated that they can be relied upon as an allocation tool for reducing minimum station spacing on an overall basis. A further study of this problem has been started by TASO.

In summary, it is virtually impossible within the confines of 12 channels to have both sufficient competitive outlets in the major markets and local outlets in a large number of communities. A 12-channel television system is inadequate, however the spacings are juggled. If additional assignments are made to some of the larger markets, this necessarily restricts the potentialities for local outlets or educational assignments in other communities.

For all of the above reasons, the Commission has concluded that the allocations dilemma cannot be resolved on a long-range basis within the 12 vhf channels.

Television Within a Deintermixed Vhf-Uhf System

As described earlier, the general inability of uhf stations to compete in markets with vhf stations has led to the present critical television allocation situation. To remedy the incompatibility of uhf, the Commission in 1956 undertook to explore the interim possibilities of improving the opportunities for effective competition among television stations, pending a long-range allocation solution. The program involved a study of the feasibility of converting to non-commercial assignments or eliminating some or all of the vhf channel assignments in designated cities having uhf stations, and the transfer of the displaced vhf channels, to the extent feasible, to wholly vhf areas where they would increase the number of vhf services.

In assessing deintermixture, the Commission stressed its limited utility in fostering the fuller utilization of uhf channels on a nationwide basis. Hopefully, deintermixture could serve to increase the number of competitive outlets in some communities, establish a core of viable uhf markets, and halt further deterioration in the uhf industry. However, the Commission in its Report of June 1956 pointed out the following shortcomings inherent in an extensive nationwide program of deintermixture: the undesirability of eliminating vhf assignments in areas with little uhf set saturation; the penetration of most areas with signals from vhf-only markets and the consequent inability to carve out significant areas in which uhf could grow; and the likelihood that elimination of local vhf assignments would create substantial "white" areas, unless the uhf broadcaster could somehow substantially extend his service area or unless the public in these areas undertook the additional cost of erecting high receiving antennas. As a result of these considerations, the Commission described deintermixture as an "interim" measure, pending adoption of a long-range solution.

Experience with deintermixture in the intervening years has demonstrated that it is ineffectual as a national allocation policy. One or another pertinent consideration has served to narrow the possible communities in which deintermixture could be justified in the public interest: the opportunity to add vhf assignments at approved minimum spacings through simple "drop-ins," rearrangement of assignments in other nearby communities, or relocation of station antennas; the danger of creating "white" areas; the availability of multiple vhf signals from nearby major centers; unfavorable terrain; or insufficient uhf set conversion. Procedural delays flowing from adjudicatory requirements in those instances where the Commission has ordered removal of a vhf assignment also have served to minimize the immediate benefits expected from deintermixture.

Nevertheless, in line with our decision to reexamine and reevaluate all possible allocation measures, studies were made of deintermixture, both on a selective community and on a general area basis. Two assignment plans incorporating these approaches were studied.

In one study, a total of 23 communities containing approximately 1 million homes were selected for deintermixture to all uhf. The markets selected generally have 1 vhf and 1 or more uhf assignments and are reasonably distant from vhf-only markets. Included in the 23 communities were places such as Lancaster, Manchester, Flint, and Spartanburg which have uhf assignments but no operating uhf stations and thus have little or no uhf set saturation. A transistion to uhf in these markets would be a slow and difficult process. Furthermore, it is not certain that some of the new all-uhf communities would be sufficiently distant from vhf centers to avoid "overshadowing." Thus, uhf in Lancaster would be subjected to the competition of Philadelphia vhf stations, uhf in Manchester could be effectively "overshadowed" by Boston, and uhf in Flint could be adversely affected by Detroit. There is no firm assurance, therefore, that uhf stations would be built in all these new uhf communities.

Another relevant consideration in assessing this limited deintermixture plan is the impact of uhf set production. Undoubtedly, deintermixture in these communities would provide some additional stimulus to set manufacturers. However, the market for new uhf-equipped receivers would be substantially less than the estimated one million homes in these 23 communities since a number of these communities already have partial uhf set distribution.

The limited effect of a selective deintermixture plan on the promotion of uhf suggested the alternative approach of area deintermixture. Here the objectives were to ensure the continuance of present uhf operation and to create areas and populations dependent upon uhf service sufficient to provide a strong incentive to receiver manufacturers to produce all-channel receivers. The deintermixture area was outlined by including a chain of communities having uhf experience; this was expanded to encompass nearby and interspersed vhf communities in order to form a solid and sizeable uhf-only area.

In order to ensure that the areas and populations dependent upon uhf would be large enough to foster the uhf industry generally, it was found necessary in the plan to deintermix many large markets with little or no previous uhf experience. Examples of such markets include Cincinnati, Atlanta, Louisville, Indianapolis, Columbus, Rochester, Dayton, Toledo, and Syracuse, among others. This particular area deintermixture plan would require the deletion of about 90 vhf stations which could not be transferred elsewhere. As a result of such drastic reshuffling of assignments, a total of some 12 million homes might become dependent upon uhf for television service in these areas.

The shortcomings of this approach are readily apparent. The criteria for selection of the areas for deintermixture are too vague to prevent "discrimination" as among communities; the dislocation is too substantial without necessarily ensuring that all receivers would thereafter be all-channel sets; and there would be little or no additional opportunities for communities within the vhf-only areas to have a local outlet or multiple stations.

Therefore, at this time the Commission concludes that broad area deintermixture would be too disruptive to be feasible as an interim measure and too inefficient because of its partial use of the vhf and the uhf channels to serve as a long-run solution.

Alternative Courses of Action

Short of a major technical innovation, it appears that the Commission's long-run objective of a fully expanded, competitive nationwide television system cannot be realized within 12 vhf channels or through deintermixture. Accordingly, the Commission has been studying various alternative courses of action, each of which will be discussed in turn.

50-Channel Vhf System Retaining the Present 12 Vhf Channels

The optimum or ideal solution for television would be a fully expanded, all-vhf allocation. Such a system would meet the public demand for a generally satisfactory and economical service, under varying home conditions.

This raises two critical interrelated questions: As a practical matter, can the necessary additional vhf spectrum space be allocated to television? And what are the costs of such reallocation?

As a preliminary step, we have attempted to ascertain the minimum number of channels required. The number of channels which should be assigned to television, obviously, is a matter of judgment. The policy factors to be assessed include the importance of television to the American people, including television's contribution to political, economic, religious, educational, informational, entertainment, and other public needs; the current and long-run demand for television stations; and the conflicting needs of other services. Balancing these and other considerations, the Commission in the Sixth Report assigned 82 channels to television. This compares closely with the assignments to other broadcast services—107 channels to AM and 100 channels to FM. Television, however, requires a far larger share of the spectrum. A single TV channel occupies 600 times as much spectrum space as an AM channel and 30 times as much as an FM channel.

Concurrent with and following the allocation of spectrum space to television, a great many other services have been allocated space in the vhf or lower uhf bands. Because of the requirements of these various other services, television cannot retain its 82 channels if it must develop largely within the vhf. Accordingly, the question is posed as to the minimum number of channels necessary and *feasible* for a nationwide, competitive television system, with fair, efficient and equitable distribution of facilities among the States and communities.

On the basis of our studies, we have determined that 50 channels would provide ample opportunity for a nationwide, competitive television system. Sample assignment plans were drawn covering 19 States east of the Mississippi River and north of Tennessee and North Carolina. The problems of equitable allocation of assignments are greatest in this region because of the dense poulation and the concentration of cities. Minimum co-channel spacings of 170 miles and adjacent channel spacings of 60 miles were maintained, and appropriate protection was provided Canadian assignments according to existing agreements. With these safeguards of individual station coverage, it was possible with 50 channels within and adjoining the vhf band to provide sufficient assignments to foster competition in large markets, to meet the requirements of an expanded educational television service, and to permit a considerable growth in local community outlets.

With 50 channels, a minimum of 5 stations could be provided in all major television markets. In a number of these markets, additional assignments would be available when needed. At the same time, it would be possible to provide liberally for the future growth of community facilities. For example, an assignment would be available to replace every operating or authorized station, vhf or uhf. Moreover, at least one station could be assigned in this region to every community of 35,000 population or more which was located in a county of at least 50,000 population. Assignments could also be made to large "overshadowed" communities such as Atlantic City, Worcester, and Easton-Allentown now blanketed within the service areas of multiple stations located in nearby, major markets. While the public in the overshadowed communities have a choice of programs, the Commission believes they should also have the opportunity to be served by local stations, if this proves economically feasible.

Based on the test plans it was determined, further, that with 50 channels provision could be made for educational television, both in the large markets and in smaller communities which are important educational centers.

If 50 channels could be allocated to television within and adjoining, the vhf band there would then be a reasonable opportunity for television's expansion. However, for years the vhf band has been in great demand by various other radio services. In fact, the demand generated by highly important services—including police, fire, transportation industrial, and business—far exceeds the supply of vhf frequencies. The demands of these services for additional spectrum space is so critical that the Commission is currently engaged in a general allocation proceeding with respect to the spectrum space between 25 and 890 mc.

Nevertheless, from the standpoint of meeting television's needs, it would be highly desirable if the present 12 vhf channels allocated to television could be retained, and space provided for 38 additional channels. This would minimize the disruption and transition cost for the public and the broadcasters, particularly if all operating vhf stations could continue without change in their frequency assignments. The TV allocation would be divided into three non-contiguous segments as at present: 54-72 mc. (Ch. 2-4); 76-88 mc. (Ch. 5-6); and 174-444 mc. (Ch. 7-51). This would require an additional block of 228 mc. above TV Ch. 13. On the other hand, the uhf TV allocation which begins at 470 mc. and extends to 890 mc. could then be released for non-broadcast services. The band 216-450 mc. is allocated exclusively to the Government, except for the amateur bands 220-225 mc. and 420-450 mc., the aeronautical radio-navigation band 328.6-335.4 mc., and the meteorological aids band 400-406 mc., which are available to both government and non-government users on a shared basis. The bulk of the government operations between 216 and 450 mc. is military. For reasons of equipment standardization many countries have allocations that closely parallel those of the United States. If, therefore, changes are made in the domestic allocations for television and general communication services, this will affect allocation decisions in other countries. Any such spectrum reallocation must therefore be coordinated closely with the other interested nations. The time required to complete such negotiations and implement the changes would undoubtedly extend over a period of years.

Furthermore, since a number of the systems operating in the band 216-450 mc. are there because of the propagation characteristics of that portion of the spectrum, they would have to be moved to frequency bands with similar characteristics if they are to continue to perform the function intended. It must be determined, for example, whether existing operations in the vicinity of 216 mc. could perform properly if moved above 450 mc. As a practical matter, also, it is highly unlikely that the band 328.6-335.4 (the equivalent of one TV channel) could be reallocated, since this change would affect all aircraft equipped for instrument landing.

It must also be pointed out that a 50-channel system, as described above, would be located almost equally within the vhf and uhf bands. There would be 26 channels in the vhf portion of the spectrum, which extends to 300 mc., while the remaining 24 channels would extend into the lower portion of the uhf spectrum. The last channel at 444 mc. would cut off below the present uhf TV band, which begins at 470 mc. However, the upper channels within the 50-channel system would be more subject to shadows, absorption, and other undesirable effects, and would permit less extensive service areas than do the present 12 vhf channels. In particular, there would be a variation in service area as between stations operating on the lower vhf channels and those on the upper channels.

Transition to an expanded vhf system would also involve additional costs to the public. Of the 44 million television homes, none is equipped to receive vhf channels above Ch. 13. Presumably, in the course of a 10-year period, practically all these homes would replace their current television sets. Hopefully, all such new receivers would be equipped to receive all 50 channels. If, contrariwise, the bulk of the public continued to purchase sets equipped to receive only the 12 vhf channels, the television allocations dilemma would remain unsolved. For, under such conditions, the new vhf stations would face the same economic hardships as uhf stations have suffered since 1952.

Although the Commission cannot predict the production and marketing plans of television set manufacturers, we would earnestly hope that the television broadcasters and manufacturers would utilize their full resources to promote the success of an expanded vhf system. The long-run private interests of the television industry, no less than the interests of the viewing public require a solution of the television allocation problem and the establishment of a nationwide, competitive television system.

However, we cannot rely on optimistic expectations. The uhf experience, and the FM experience earlier, suggest that within the competitive market framework the tendency to cut costs militates against the universal production of all-channel receivers. The incentives will be strong to continue to market receivers predominantly equipped for 12 channels only, in line with the present-day set production and distribution pattern. To disturb this pattern and to produce a new receiver equipped for all 50 channels imposes new costs on the industry which, initially at least, is likely to be passed on to the consumer. Some of the same difficulties which now beset manufacturers in producing an efficient and convenient vhf-uhf receiver would likewise be present in producing a set required to cover the frequencies ranging from 54 to 444 mc. Television manufacturers may conclude that their production should include both 12-channel and 50-channel sets, as well as sets equipped to receive some intermediate number of channels. These manufacturers will maintain that they can thus satisfy the public best. If stations in one community operate on ch. 2-13, why burden the public in that community with the additional cost of a 50-channel set? On the other hand, if stations in another community begin operation at ch. 14 or above, the manufacturers would then proceed to supply receivers for these new channels for that community.

However reasonable this policy may appear, it could start in motion a vicious circle. Without an audience, the new stations will lack advertising support; lacking such support the stations will fail. New broadcasters will risk their capital in developing the new vhf channels only if there is a reasonable likelihood that all-channel receivers will be widely distributed. However, in the major markets with 3 or more stations in operation the average consumer is not likely to insist on a receiver which would enable him to receive additional stations in the future. But if these markets which purchase the bulk of all television receivers are supplied with 12-channel sets only, then the incentives will not exist for the development of a 50-channel television system.

In short, there is the danger of repeating the vhf-uhf experience unless steps are taken to require the production of sets equipped to receive the new channels as well as the established 12 vhf channels. This appears an essential prerequisite for the success of any long-run measure to resolve the television problem even though it has the disadvantage of adding to the cost of the receivers. It would require, however, a legislative enactment that all TV sets shipped in interstate commerce must be equipped to receive all channels assigned to television. If such a statute were coupled with the removal of the set excise tax, this could serve to offset partially the added cost to the public of the new receivers.

We have indicated some, and by no means all, of the major difficulties necessarily involved in any such wholesale change of the present television structure. Under the best of circumstances, the transition would take at least a full decade; it would involve the expenditure of large sums of money by the Government for conversion of existing facilities; it would require the cooperation of other nations; it might cost the public some additional, although now indeterminate, sums for all-channel sets; and it would require new legislation to ensue production of all-channel receivers only.

Contiguous 50-Channel TV System Retaining Ch. 7-13

The first alternative, which has been discussed above, looks toward a 50-channel system retaining all the present 12 vhf channels. A second alternative is a continuous 50-channel system beginning at 174 mc. (Ch. 7) and extending upward to 474 mc. The spectrum space required for this plan is now almost entirely allocated to the Government between 216 and 450 mc. and to non-Government land mobile radio services between 450 and 470 mc.

This alternative would involve the release of the lower portion of the vhf spectrum, now used by TV stations on Ch. 2-6, and the release of the uhf TV allocation. This would increase the net amount of spectrum space available for allocation to other services by 192 mc. (i.e., the difference between the present 82 channels and 50 channels). It also may better serve the needs of various communication services which now require some additional vhf or uhf spectrum space. Further, there may be some economies in set design and production in a continuous band between 174 and 474 mc. The ratio between the lowest and highest channels would be less than 2½ to 1, as compared to the ratio of 16 to 1 in the present vhf-uhf system.

On the other hand, this alternative would be subject to the same complex and costly conversion and transitional problems as outlined with respect to the first alternative. In addition, the loss of Ch. 2-6, while releasing valuable spectrum space for other services and increasing the incentive of the public to purchase new receivers, will impose a substantial burden on the stations required to move to new assignments above 216 mc. Aside from the cost of additional transmitting equipment, the present service areas and the audience of these stations would be reduced.

We must assume that such wholesale frequency reassignments will be opposed by individual stations. If we were required to hold an adjudicatory proceeding with respect to each such frequency reassignment, the process could be so time consuming and burdensome as to defeat any solution of the television problem. To cope with this procedural hurdle, we may recommend an amendment to the Communications Act authorizing the Commission to change the frequency of any individual station through a general rule-making proceeding, when an overall readjustment of station assignments is required in the public interest.

Contiguous 25-vhf Channel System Retaining Ch. 7-13

Previously, 2 expanded vhf television allocation systems were discussed, both comprising 50 channels. Another alternative studied was the allocation to television of 25 contiguous vhf channels.

This approach recognizes the possibility that because of national defense and other needs it may prove infeasible to allocate to television 50 channels in the vhf and the contiguous uhf frequencies. The Commission, therefore, considered the minimal number of channels which would correct the serious deficiencies of the present television system. Our studies have indicated that the lower limit of such an allocation to television is 25 channels. The allocation would begin at television Ch. 7 (174 mc.) and continue to 324 mc. Under this alternative, television would lose channels 2-6 in the lower portion of the vhf band and would obtain from the Government the additional spectrum space between 216 and 324 mc.

As would be expected, a 25-channel system falls short of achieving the flexibility and the opportunities for station expansion in local communities which are possible in a 50-channel system. With present minimum spacing requirements, a 25-channel plan would allow 5 stations in the bulk of the top 100 television markets. The opportunities for growth above this minimum would be limited, however.

The major shortcoming of a 25-channel plan lies in its inability to meet community needs for local outlets. If it is to allow expansion in the large markets, it must skimp in its assignments to other communities. As an illustration, 65 communities were selected in the test area as requiring one assignment. Included in this group were "overshadowed" communities and other medium and smaller communities with a cut off, as mentioned previously, of 35,000 city and 50,000 county population. Under a 50-channel plan, all of these communities could have a local assignment. With 25-channels, station assignments could not be made to 50 of the 65 selected communities.

Obviously, if the 25-channel plan were drawn with different specifications, as, for example, limiting the top markets to a maximum of 4 assignments, more assignments would be available for smaller communities. Overall, a 25-channel system would permit moderate expansion in the present number of stations, thus strengthening the competitive position of the third network while permitting additional educational or independent station operation. It would also permit the release of substantial spectrum space in the uhf and vhf bands for other radio service. As against these advantages must be weighed the inevitable costs of a changeover from the present system.

82-Channel Vhf-Uhf System, with All Sets Capable of Receiving Both Vhf and Uhf

If our current study with the Government discloses that a rearrangement of the non-government allocation to provide sufficient additional channels in the vhf and adjoining uhf frequencies for television is infeasible, the alternatives are the present 82-channel vhf-uhf system, or an all-uhf system.

Our earlier discussion indicates quite clearly that the present intermixed system will not work so long as the overwhelming bulk of home sets are equipped to receive only the 12 vhf channels. It appears that this critical handicap can be overcome only by imposing a statutory requirement that all television sets shipped in interstate commerce should be equipped to receive both vhf and uhf channels. Uhf conversion would then come automatically over the next 10 years, as the public replaced present receivers. If uhf stations were potentially able to reach all television homes in their communities, this might provide the necessary stimulus for the widescale development of uhf service.

This course, if effective, would have many advantages. By retaining the 12 vhf channels, wide-area service to rural and fringe populations would be ensured throughout the United States. At the same time, the 70 uhf channels would permit multiple stations in the major markets as well as local stations in over 1,000 communities.

Moreover, uhf could grow with a minimum of disruption to the present television structure. The public would continue to receive service from all operating stations, vhf and uhf. At the same time, existing uhf stations would be strengthened as the normal turnover of receivers eventually resulted in all television homes being converted to uhf. The expansion of uhf-equipped homes, in turn, might attract new uhf stations to the air. Thus, over the next decade, the public could have a wider choice of program sources, commercial and educational, national and local.

Such nationwide distribution of all-channel receivers cannot be accomplished, however, without cost. It is likely that the public will be required to pay more for an all-channel receiver than for a vhf-only set. At present, the differential averages about $25. In addition, the installation of an outdoor uhf antenna is required in most homes beyond the immediate confines of a uhf station. The cost for antenna and installation may add another $25 or more to the consumer's price. Thus, if the average cost of a vhf-only installation is $200-$225 the comparable price of an all-channel installation may be 25% higher.

Whether the differential would remain at this level depends on the outcome of a number of conflicting forces. Undoubtedly, there would be a strong tendency toward cutting the differential. If set output were 100% all-channel instead of less than 10% as at present, some savings would be found and the pressure of competition, which is so strong in radio set manufacturing, would lead to lower set prices.

On the other hand, there would also be cost-increasing forces at work. Today's uhf receivers are significantly inferior to vhf receivers in noise level, in ease of tuning, and in the longevity of some components. Those inadequacies in uhf tuners serve to reduce the quality and range of uhf signals, and are a significant factor in the difficulties encountered by uhf stations in building and retaining audiences. In intermixed vhf-uhf communities where a full schedule of popular network programming has been on uhf stations (viz Buffalo, Hartford, Milwaukee, etc.), the uhf-equipped public has tuned to fewer network programs on these stations than anticipated on the basis of the audience appeal of these same programs in other communities where the programs were presented on vhf stations. While this difference in public response cannot be attributed entirely to the relative inferiority of the uhf receiver, it is an important factor.

The set manufacturer has, or can develop, the techniques necessary for improving uhf tuners. These, however, would increase the cost of production and, because of the declining market for uhf receivers, manufacturers have been reluctant to undertake costly equipment redesign and development. Presumably, this trend would be reversed if television set production were exclusively in combined vhf-uhf receivers. With a greater market potential, manufacturers would have an opportunity to introduce improved uhf tuners even if it necessitated a somewhat higher price to the consumer.

The same effect might also be achieved if the legislation requiring vhf-uhf receivers empowered the Commission to set reasonable standards in the public interest with reference to the quality of the receivers. Pursuant to such a mandate, after a given period to permit a changeover, the Commission might, for example, withhold type approval of uhf tuners which were substantially inferior to vhf receivers.

Whether introduced voluntarily or by Commission direction, improvements in uhf sets may result in higher prices to the public, at least initially. The net effect of this tendency as against the price-reducing factors previously mentioned cannot be gauged. Certainly we cannot overlook the possibility that the price of the combined vhf-uhf receivers might continue to be higher than the cost of present vhf-only receivers. In addition, some additional cost would be borne by the public for a uhf outdoor antenna installation, which is necessary if conversion to uhf is to be generally effective.

Notwithstanding the general availability of all-channel receivers, it is by no means certain, moreover, that an intermixed vhf-uhf system would prove competitively feasible in markets with multiple vhf facilities. Propagationwise, uhf stations have a shorter service range than vhf stations, and they also suffer from a greater variability in quality of service within their service range, owing to the effects of uneven terrain, tall buildings, and changing atmospheric and foliage conditions. These differences are most apparent to the public in areas where both vhf and uhf stations are in operation and a direct comparison of the two is made. These differences will tend to handicap the uhf stations in their efforts to obtain network affiliation and national advertiser support.

The counter argument may be advanced that these differences between vhf and uhf will become less important in the long run. Reference is made to the AM experience and the presence in the same market of large and small stations. However, the small AM stations have available to them very inexpensive forms of programming which can attract substantial audiences in competition with network-affiliated stations. In the final analysis, the economic prospects for uhf stations in an intermixed vhf-uhf system may depend on the general availability of inexpensive and popular programming fare as well as on the requirement of all-channel receivers.

70-Channel Uhf System

A fifth alternative considered by the Commission is the assignment of all television stations to the uhf band. This approach presumes that the present vhf-uhf allocation cannot be made to work successfully and that a choice must be made between retaining the 12 vhf or the 70 uhf channels. The merits of an all-uhf system has been extensively debated before your Committee since 1954 and the arguments, pro and con, are contained in the records of these hearings and in special staff reports made by and to your Committee. In our Report of June 1956, we summarized the major benefits which might ensue from an all-uhf system. Among the more obvious of these benefits are: (a) no other service would be required to move, (b) the frequency requirements of other radio services could be accommodated in the space vacated by the present vhf channel allocation, and (c) no international problems would be engendered by the implementation of the existing uhf allocation. Moreover, with 70 channels, there would be adequate opportunity for multiple, competing stations in the larger markets and sufficient assignments available to satisfy the long-run needs of other communities for local outlets.

In our 1956 Report we stated that before a realistic appraisal could be made of the coverage potential of uhf, it would be necessary to ascertain the extent to which uhf transmission and reception could be improved. The Commission at that time called for a program of expedited research and development concentrated on uhf transmitters, receivers, and receiving antennas. Subsequently, various segments of the television industry established the Television Allocations Study Organization. However, as a joint industry group TASO could not undertake equipment research and development programs because of antitrust considerations.

The Commission as part of its own studies has sought to ascertain the current status of uhf equipment development. The main findings of this inquiry may be summarized as follows: Research and development in uhf is continuing and some improvements have been made in receiving and transmitting equipment. A major factor deterring rapid technological improvement in uhf is the unfavorable economic outlook for the service. The required improvements involve additional costs for manufacturers, broadcasters, and the public, and there is a natural reluctance to incur these costs under present conditions.

Individual manufacturers have undertaken research and development programs in uhf frequencies which are continuing. In part, these programs have been stimulated by demand from the military and other non-broadcast users of uhf frequencies. In part, also, these programs stem from the normal competitive efforts of manufacturers to improve their product, to capture a larger share of the uhf receiver and transmitter markets, and to reduce costs.

Nevertheless, the generally unfavorable economic climate for uhf has retarding effects on the full development and introduction of technical improvements. Over 90% of television set production is vhf-only; with the number of operating uhf stations declining, there is little or no expectation of any significant increase in the public demand for the uhf receiver. Obviously, these facts are taken into account by manufacturers in deploying their technical personnel and facilities and in laying out their marketing plans. Manufacturers, naturally, are unwilling to add to current price differentials between vhf-only and vhf-uhf receivers, unless the improvements in uhf receivers can be of substantial and obvious benefit to the public.

This may be illustrated in the efforts made to reduce the noise level of uhf tuners. The noise figure for present uhf tuners averages 12.8 to 13.8 db; the comparable figure for vhf tuners is 6.5-8.5 db. The noise level could be reduced in a uhf receiver and set performance improved by incorporation of an RF amplifier. Several tubes have been engineered for this purpose including the ceramic tube of GE, the pencil tube of RCA, and a German Pc 86 tube. According to the manufacturers, the best of these devices would reduce the noise level of uhf tuners to the range of 8-10 db.

It was estimated, by the manufacturers, however, that the cost to the public for a vhf-uhf receiver so equipped would average $35-$40 more than the price of a vhf-only receiver, compared to the present differential of $25. This estimate was premised on the most favorable conditions, assuming a nationwide mass market for uhf receivers. The set manufacturers maintained that the average consumer would not note a reduction in noise level of only 3 to 4 db (as compared to the better uhf receivers) and that, in any event, the cost of achieving this improvement was too high.

Some manufacturers were optimistic that a major improvement in uhf receivers may be achieved by the use of transistors, parametric amplifiers, or other semiconductors. The parametric amplifier, which is currently produced for use in non-broadcast communications, is theoretically capable of reducing the noise level in receivers to zero. Before the parametric amplifier is ready to be applied in commercial television sets, technical changes are required. While certain manufacturers were optimistic that these technical difficulties could be overcome, they estimated the production timetable as at least 3-5 years hence.

While the potential exists for substantial improvements in uhf receiver design, such improvements alone would not equate uhf with vhf service. One of the basic characteristics of radio propagation is that the length of the radio wave decreases as we move upward in the spectrum. This places a greater burden on the receiving antenna to capture the shorter wave. With present-day uhf antennas, and transmission lines, the signal delivered ultimately to the uhf receiver may be 10 to 20 db less than in the case of vhf transmission. Moreover, uhf receiving antennas are somewhat more directive than vhf antennas. Thus, in order to obtain multiple services from uhf transmitters located in different directions, the uhf set owner in a fringe area is more likely to require a rotary-equipped antenna which would double the cost of the antenna installation. Although the antenna is an important link in the development of a uhf system which would more nearly equate with vhf coverage, there are no major improvements in uhf antenna design in prospect.

The loss in uhf signal capture could be offset in part by a large increase in uhf transmitted power or by an increase in the number of uhf transmitting locations in a given area. With few exceptions, uhf stations currently are operating below the Commission's maxima with respect to transmitter power and antenna height. The major limiting factor is cost. The initial and annual recurring costs rise sharply with increased power. For example, a uhf transmitting system radiating 250 kw ERP can be assembled (exclusive of tower, buildings, studio, studio equipment and other station facilities) for less than $200,000;

by comparison, the cost of transmitter and antenna for a 1-megawatt system is estimated at $280,000, and of a 5-megawatt uhf transmitter system at $740,000. The annual power and tube expenses directly associated with the cost of operating such transmitting equipment similarly rises sharply, from $25,000 for a 250-kw system to an estimated $120,000 for a 5-megawatt system. Obviously, for the great bulk of uhf stations such increased outlays are not warranted at this time.

As an alternative to a single superpower transmitter, it may prove more feasible to extend uhf service by use of multiple transmitters in a polycasting system. This appears to be a promising technique although it has not been field tested as part of a complete system, and it poses certain problems with respect to availability of channels and the commercial identification of the stations in the public mind.

If uhf service is to equate more nearly with vhf service, it appears essential that improvements be introduced from transmitters to receivers. The view has been expressed that the present shortcomings of uhf equipment would be overcome in large measure if the Commission directed a move of all television to the uhf. In support of such a move it is pointed out that other services when moved upward in the spectrum successfully overcame complex equipment obstacles; that uhf appears to operate to the satisfaction of the public in uhf-only areas; that uhf is free from atmospheric interference and man-made interference; and that according to TASO findings in some areas of flat terrain the extent and quality of uhf service equals that of vhf.

Proponents of uhf contend, moreover, that by one means or another the industry would find a way to establish a satisfactory nationwide television system in the uhf. They point to the technical and financial resources of the manufacturers and broadcasters, their success in creating a billion dollar television industry within a decade, and the advances in uhf which are already available. Given an all-pervasive public demand for television service and the high-profit incentives of the industry, uhf proponents contend that a successful transition to uhf inevitably would be made, in the absence of an alternative system.

These arguments are not without merit. It is highly probable, for example, that had television begun in the uhf the public would have found the service acceptable. Moreover, in this proposal as in any other requiring a major shift in allocations, present stations could be required to operate in both bands for a sufficient period to give the public full use of present receivers.

The Commission, however, cannot initiate such a move to the uhf unless and until it has strong evidence that uhf overall can provide service substantially equal to that in vhf without requiring major increased outlays by the average family when purchasing new home receiving equipment. We cannot make such a finding at this time. The Commission is concerned, for example, at the inherent variability of uhf service—the shadowing which results from variable terrain, tall buildings, wooded areas and atmospheric changes. In some extremely flat, treeless areas within line of sight from the transmitters, uhf service may be comparable with vhf. However, if the terrain is moderately rolling or the area contains even moderate vegetation, rocks, houses, or other obstructing, scattering or absorbing objects, the uhf field strength may be substantially lower than vhf for equal ERP. This can result in a deterioration of service to the public in the area, unless adequately compensated for in the uhf transmission system.

Aside from the possible loss or deterioration of service to homes within the normal service areas of uhf stations, we are fearful that the shorter service range of uhf stations will deprive rural areas of service. These scattered rural families are now generally served by vhf stations located in metropolitan centers. Such stations in most cases cover a radius of 60-70 miles or more. For the foreseeable future it must be assumed that the coverage area of the typical uhf station would be significantly less than of a vhf station.

The TASO report states that within considerable distances from a television transmitter picture quality as observed in the home remains at approximately the same level, but after a certain distance is exceeded, the home service tends to deteriorate rapidly. The distance at which this occurs depends upon many local factors, but generally is less for uhf than for vhf; moreover, uhf service tends to fall off more sharply and more completely than does vhf service. The report states that some of the reasons for the poorer performance at uhf are basic in their nature and are not susceptible to complete compensation by the application of known techniques.

An individual uhf station may be able to extend its coverage in particular areas by use of boosters or translators. This decision would turn, however, on the licensee's balancing of the costs of such additional coverage as against the number of families which would be added to his audience. The Commission cannot compel a station to provide service which it considers uneconomic, and there is a definite risk that the economic calculus of individual stations may result in the creation of "white" areas.

Eventually, service to these areas may come from the expansion of television stations to the smaller communities and the resultant filling in of signals on an area basis. Instead of relying on the wide-area coverage of distant stations, the public would look to smaller but more numerous local stations for their service.

While we can speculate about these or other means of extending service generally in a uhf system, we cannot overlook: (a) the time lag before the necessary improvements would be in actual use, (b) the additional cost to the public for improved home equipment, (c) the probable loss of national program services to the rural public if it must depend on local stations, and (d) the probabilities that some proportion of the television families would be deprived of service.

SUMMARY

We have reviewed for you the advantages and disadvantages of the various alternative solutions to this most difficult problem.

Common to all of these allocation solutions are certain general considerations. One is the long transitional period required to effectuate an allocation change. Any solution permitting television to use effectively more than the present 12 vhf channels necessarily must involve a transition period of perhaps 10 years or longer. This time is required to enable the over 40 million vhf-only set owners to enjoy full use of their present sets before being required to purchase new receivers. In addition, a reasonable conversion period must be granted to the broadcasters and to the non-broadcast radio spectrum users that may be affected if an allocation revision is made.

A second consideration is the need for all-channel receivers. If a transition from the present television structure is to be successful, it is essential that after a given date all receivers sold to the public should be equipped to receive all television channels. This is necessary to enable broadcasters on any channel assigned to television to reach the public effectively. We have learned from experience, however, that a Commission decision on allocations does not ensure necessarily the marketing and sale of all-channel receivers. Cost considerations and other factors may result in the continued production and sale of sets equipped to receive only 12 channels. This is particularly true because during the transitional period operation by present stations on existing channels is likely to continue until an ultimate cut-over point is reached.

We, therefore, believe that the Congress should consider a requirement that all sets shipped in interstate commerce shall be equipped to receive all television channels in order to permit an allocations solution. Otherwise, there is a real danger that irrespective of any Commission decision television will continue to be limited effectively to 12 channels.

Two other general factors are involved in the television allocations problem. One is the current proceeding in Docket No. 11997, which is designed to ascertain the future requirements of all radio services using spectrum space between 25 and 890 mc. This proceeding undoubtedly will affect our conclusions as to the appropriate division of this spectrum space between television and other services.

The other general factor which cannot be overlooked is the dynamic and ever changing character of the electronic art. Plans devised today for proper development of television may be affected drastically by innovations in the art tomorrow.

In discussing the specific allocation solutions, we have indicated that an expanded vhf system comprising 50 channels (including the present TV channels 2-13, or alternatively channels 7-13) would satisfy the public interest criteria insofar as television is concerned. It would permit nationwide coverage, competing stations in the major markets, local community stations in the small communities, and adequate outlets for educational needs.

To obtain the additional vhf and contiguous uhf channels requires an exchange of spectrum space with the U. S. Government. A cooperative study of the possibilities in this area has been started jointly by the Commission and the Government (OCDM). In addition, the President has suggested the establishment of a Committee to study the uses of the radio spectrum with a view to an improvement in allocations. Also, a study of spectrum usage is being initiated by the House Committee on Interstate and Foreign Commerce. We are hopeful that these studies will be of great assistance in determining the feasibility of an expanded vhf television system.

Inherent in the problem of exchanging spectrum space between the government and non-government users are the actual operational requirements of the Department of Defense under the emergency conditions of today. The armed services have developed radio equipment to support these operational requirements based upon the spectrum allocation decision of 1945 which assigned blocs of spectrum space between 25 and 890 mc. to Government and non-Government services. The Army, Navy and Air Force have invested many hundreds of millions of dollars in establishing their communications systems in accord with this 1945 decision. It is therefore necessary to give proper consideration to the factors of cost, obsolescence of equipment, and time in which it would be feasible for the armed services to reestablish their communications systems in another portion of the radio spectrum between 25 and 890 mc.

Such reallocation would have very substantial international repercussions, as well. The rearrangement of spectrum space undoubtedly would involve conflicts with existing international agreements to which the United States is a party. Renegotiation of such agreements is an extremely delicate and time consuming process, particularly since it involves international defense communications.

In our current study with the Government looking toward a possible exchange of spectrum space, we are seeking additional space for a total allocation of 50 channels for television. The Government has indicated a cooperativeness and willingness to reconsider the allocation of the spectrum on a long-term basis. Nevertheless, in the balance which must be struck between national defense needs, other services, and television needs, we must consider realistically the possibility of obtaining less than 50 channels. An ideal or ample allocation of spectrum space to television in this area may prove to be infeasible under present world conditions. The Government, for example, may be able to release to television only enough channels to meet a few of the serious deficiencies of the present system. More definitive information on this point will come from the study now in progress.

Clearly, Congressional assistance will be vital in the reconsideration of the spectrum allocation as between government and non-government uses. If, nevertheless, an expanded vhf television system which is preferred by the Commission proves infeasible, there are two allocation alternatives. They are the present 82-channel vhf-uhf system or a 70-channel uhf-only system.

Both of these alternatives have certain advantages. One significant advantage is the present availability of spectrum space for these alternatives, which obviates the need for a costly and complex conversion of Government communications systems.

On the other hand, both of these alternatives also have substantial disadvantages. The effectuation of an 82-channel system depends on nationwide conversion, which can be achieved only by a Congressional requirement that all sets shipped in interstate commerce shall be equipped to receive both vhf and uhf channels. Such a statute would not guarantee the success of uhf, but it would remove one of the major obstacles to its success. At the same time it must be recognized that because of the range of frequencies involved between the low vhf and the high uhf, the public probably would be required to pay more for good quality receiving equipment than under an expanded vhf system.

Likewise, a majority of the Commission prefers an expanded vhf system to an all-uhf system because of the greater likelihood under a vhf system of providing adequate nationwide coverage with a smaller number of channels. The Commission cannot move television to the uhf unless and until it has strong evidence that uhf over-all can provide service equal to that in vhf without requiring major increased outlays by the public generally. Such evidence is not yet forthcoming, although as we pointed out there have been some developments which show promise.

We are hopeful that within the next few months we will know whether an expanded vhf system is a feasible eventuality. However, as we have emphasized, the implementation of this allocation solution, or of any other, will require a long transitional period.

Meanwhile, some interim action is clearly needed. The Commission is of the view that immediate steps must be taken to remedy the critical shortages of facilities in a number of important population centers. Characteristically, these markets have only one or two vhf stations and little or no uhf set conversion. The only practicable short-run solution in these cases is to add vhf assignments, even if this requires less than our minimum spacing requirements. Only in this way can we obtain sufficient competitive outlets to serve the public interest.

This interim policy must be carefully circumscribed to be consistent with our long-range allocation policy. It must be focused on alleviating only the most critical shortages.

If the future allocation solution lies in an expanded vhf plan, the Commission will have the opportunity in the future to delete any short spacings which are required immediately. A similar opportunity to remove short spacings would be present if the long-range solution must be sought in a practicable 82-channel vhf-uhf system or in an all-uhf system. If, however, none of these alternatives proves feasible, and we must rely on the 12 vhf channels then the number of short separations will inevitably increase.

A limited short-range program of adding vhf assignments at the necessary spacings can probably be engineered to avoid serious deterioration in the general availability of television service. To this end television stations may have to utilize directional antennas, precision offset, and such other techniques as the Commission may require in the public interest.

Currently, the Commission is exploring the most feasible and expeditious procedures for achieving this interim approach. We expect within a short time to initiate the necessary rule making proceedings.

We are hopeful that our discussions of this matter today will not result in a flood of petitions for rule making on this subject, at least until we can complete our work on the notice of the proposal we intend to publish.

We appreciate the opportunity you have given us to explain in detail the status of our consideration of the allocation problem. We are continuing tc give this matter high priority, both at the Commission and at the staff level, and we are hopeful that in the near future we can arrive at an appropriate solution in the public interest.

SEPARATE STATEMENT OF COMR. BARTLEY

I am prepared to go along with the statement except that I think the proposal for interim action is premature.

The interim action proposed is to remedy the critical shortages of facilities in a number of important population centers (major TV markets) with only one or two commercial vhf stations.

Addition of vhf assignments at reduced mileage separation will, in my judgment, substantially prejudice any long range program other than an all vhf system.

This step is being taken at a time when the majority believes that within the next few months we will know whether or not an expanded vhf system is feasible eventually.

If an expanded vhf system is feasible eventually, the first areas which should be provided for are those areas without vhf service, then those with a single vhf service, and so on.

If an expanded vhf system is not feasible eventually, the interim plan should mesh with the long range plan and it may well be that a more vigorous program of deintermixture toward uhf markets is the only such solution.

APPENDIX A—STATISTICAL APPENDIX

Table 1

TV STATION DATA AS OF APRIL 4, 1959

Vhf Stations	Total	Commercial	Non-Commercial
On the Air	466	434	32
Not on the Air	44	39	5
Total Authorized	510	473	37
Uhf Stations			
On the Air	85	75	10
Not on the Air	132	117	15
Total Authorized	217	192	25
All Stations			
On the Air	551	509	42
Not on the Air	176	156	20
Total Authorized	727	665	62

Table 2

ANALYSIS OF COMMERCIAL TV STATION GRANTS MADE SINCE JULY 1952
(As of April 4, 1959)

	VHF	UHF	Total
Total Post-Freeze CP's Issued	408	369	777
Number Cancelled:			
Before Going on Air	37	131	168
After Going on Air	5	46	51
Total	42	177	219
Number Outstanding			
On the Air	327	75	402
Not on Air			
a. Had been on the air but now off the air	1	44	45
b. Never on the air	38	73	111
Total	366	192	558

SUMMARY

	VHF	UHF	Total
Total stations that went on the air	333	165	498
Number of stations now off the air:			
Number	6	90	96
Percent	1.8%	54.5%	19.3%

Table 3

NUMBER OF POST-FREEZE COMMERCIAL TV STATIONS IN OPERATION
July 1952 through April 4, 1959

	Number of VHF Stations			Number of UHF Stations		
Time Period	Going on Air	Going off Air	Total on air end of period	Going on Air	Going off Air	Total on air end of period
July 1952-Dec. 1953	121	1	120	123	2	121
Jan.-Dec. 1954	69	3	186	25	29	117
Jan.-Dec. 1955	49	0	235	9	27	99
Jan.-Dec. 1956	37	0	272	6	14	91
Jan.-Dec. 1957	28	0	300	12	19	84
Jan.-Dec. 1958	27	2	325	4	11	77
Jan.-Apr. 4, 1959	3	1	327	1	3	75
Total[1]	333	6	327	165	90	75

[1] These columns do not add to the totals shown since some stations were on the air and off the air more than once. The totals reflect the number of *different* stations which went on the air or off the air during the entire period.

Table 4

ANALYSIS OF COMMERCIAL UHF OPERATING EXPERIENCE, BY TYPE OF MARKET
(As of April 4, 1959)

	No. of TV Markets	Percent of Total
1. All TV markets in which uhf went on the air	114	100%
All uhf stations have gone off the air	59	52
Some uhf stations have gone off the air and some are still on the air	9	8
All uhf stations are still on the air	46	40
A. TV markets which are uhf only*	52	100%
All uhf stations have gone off the air	19	36
Some uhf stations have gone off the air and some are still on the air	3	6
All uhf stations are still on the air	30	58

Table 4—(Continued)

	No. of TV Markets	Percent of Total
B. TV markets which are uhf-vhf*	62	100%
All uhf stations have gone off the air	40	64
Some uhf stations have gone off the air and some are still on the air	6	10
All uhf stations are still on the air	16	26
2. The 62 uhf-vhf markets classified by whether uhf operation was before or after vhf		
A. Uhf before vhf	28	100%
All uhf stations have gone off the air	16	57
Some uhf stations have gone off the air and some are still on the air	3	11
All uhf stations are still on the air	9	32
B. Uhf after vhf	34	100%
All uhf stations have gone off the air	24	71
Some uhf stations have gone off the air and some are still on the air	3	9
All uhf stations are still on the air	7	20

*These classifications refer only to the types of assignments available in the immediate TV market, i.e., whether such assignments are uhf-only or both uhf and vhf.

Table 5

ANNUAL VOLUME OF ADVERTISING IN U.S. FOR SELECTED YEARS 1949-1958

Media	1949	1952	1955	1958[2]
A. Million of Dollars				
Newspapers	1,915	2,472	3,088	3,120
Magazines	493	616	729	770
TV	58	454	1,025	1,360
Radio	571	624	545	616
All Other[1]	2,165	2,990	3,807	4,330
Total	5,202	7,156	9,194	10,196
B. Percent of Total				
Newspapers	36.8	34.5	33.6	30.6
Magazines	9.5	8.6	7.9	7.6
TV	1.1	6.3	11.2	13.3
Radio	11.0	8.7	5.9	6.0
All Other[1]	41.6	41.9	41.4	42.5
Total	100.0	100.0	100.0	100.0

[1] Includes Farm publications, direct mail, business papers, outdoor advertising, weekly newspapers, transportation advertising, cost of company advertising departments, etc.

[2] Preliminary estimate. 1958 Radio and TV figures are subject to revision when FCC published data become available.

Source: *Printers' Ink* Advertisers Guide to Marketing for 1959.

Table 6

VOLUME OF NATIONAL AND LOCAL ADVERTISING BY MEDIA 1958[2]

Media	Total	National	Local
A. Millions of Dollars			
Newspapers	3,120	745	2,375
Magazines	770	770	—
TV	1,360	1,100	260
Radio	616	246	370
All Other[1]	4,330	3,406	924
Total	10,196	6,267	3,929
B. Percent of Total			
Newspapers	30.6	11.9	60.5
Magazines	7.6	12.3	—
TV	13.3	17.6	6.6
Radio	6.0	3.9	9.4
All Other[1]	42.5	54.3	23.5
Total	100.0	100.0	100.0

[1] Includes Farm publications, direct mail, business papers, outdoor advertising, weekly newspapers, transportation advertising, cost of company advertising departments, etc.

[2] Preliminary estimate. 1958 Radio and TV figures are subject to revision when FCC published data become available.

Source: *Printers' Ink* Advertisers Guide to Marketing for 1959.

Table 7

TOTAL TV SET PRODUCTION SHOWING NUMBER AND PERCENT EQUIPPED WITH UHF TUNER
1953-1958

Year	Total TV Set Production	With UHF Tuner Number	Percent
1953	7,214,787	1,459,475	20.2%
1954	7,346,715	1,383,486	18.8
1955	7,756,521	1,181,788	15.2
1956	7,387,029	1,035,236	14.0
1957	6,399,345	779,800	12.2
1958	4,920,428	418,256	8.5
Total	41,024,825	6,258,041	15.3

*Source: EIA

Note: The above total of 6,258,041 uhf sets represents only factory-equipped uhf sets and does not include vhf-only sets which were converted by local servicemen to receive uhf either by the addition of a converter or a strip. Although no precise estimate has ever been made of the number of sets converted locally, there are indications that the number of such sets would not be greatly in excess of 2 million. Thus, total sets that have been equipped for uhf (whether or not they are now being used to receive uhf) can be estimated at approximately 8 million.

Table 8

ANALYSIS OF NON-TV HOMES

The March 1958 study by Advertising Research Foundation estimated that 8,140,000 households (16% of the total) did not own TV sets. It cannot be concluded from this that such homes lacked TV service since it was found that about half of the non-TV homes (4.1 million) were located in counties where total TV set ownership was 80% or better. The following table shows the distribution of non-TV homes by the various levels of TV set ownership in the county:

Counties with TV set ownership of:	Non-TV Homes Millions	Percent of Total Non-TV Homes
90 percent or over	1.9	23.9
80 percent or over	4.1	49.9
70 percent or over	5.3	64.9
60 percent or over	6.4	78.9
50 percent or over	7.6	92.9
34* percent or over	8.1	100.0

*No county was estimated to have less than 34% TV set ownership.

Table 9

BUREAU OF CENSUS PROJECTIONS OF POPULATION
1960-1980

Population as of Jan. 1, 1959—175.6 million.

On July 1:	Low Estimate (millions)	High Estimate (millions)
1960	179.4	181.2
1970	202.5	219.5
1980	230.8	272.6

Table 10

LISTING OF 268[1] TV MARKETS WITH STATIONS IN OPERATION
(As of April 4, 1959)

State	TV Market	Commercial VHF	Commercial UHF	Non-Commercial VHF	Non-Commercial UHF
Alabama	Birmingham	2		1	
	Decatur		1		
	Dothan	1			
	Florence		1		
	Mobile-Pensacola, Fla.	3			
	Montgomery	1	1		
Arizona	Phoenix-Mesa	4			
	Tucson	3		1	
	Yuma	1			
Arkansas	El Dorado	1			
	Fort Smith	1			
	Little Rock-Pine Bluff	3			

[1] The 268 TV markets have a total of 509 commercial (434 VHF and 75 UHF) and 37 non-commercial stations (27 VHF and 10 UHF) in operation. In addition, the following 5 TV markets have only 1 non-commercial VHF station in operation: Andalusia, Alabama; Munford, Alabama; Gainesville, Florida; Chapel Hill, North Carolina; and Corvallis, Oregon.

Table 10—(Continued)

State	TV Market	Commercial VHF	Commercial UHF	Non-Commercial VHF	Non-Commercial UHF
California	Bakersfield	1	1		
	Chico-Redding	2			
	Eureka	2			
	Fresno-Tulare	1	2		
	Los Angeles	7			
	Sacramento-Stockton	3		1	
	Salinas-Monterey	1			
	San Diego	2			
	San Francisco-Oakland	4		1	
	San Jose	1			
	San Luis Obispo	1			
	Santa Barbara	1			
Colorado	Colorado Springs-Pueblo	3			
	Denver	4		1	
	Grand Junction	1			
	Montrose	1			
Connecticut	Bridgeport		1		
	Hartford-New Haven-New Britain-Bristol	2	2		
	Waterbury		1		
District of Columbia	Washington	4			
Florida	Fort Myers	1			
	Jacksonville	2		1	
	Miami-Ft. Lauderdale	3		1	
	Orlando-Daytona Beach	3			
	Panama City	1			
	Tampa-St. Petersburg	2	1	1	
	West Palm Beach	2			
Georgia	Albany	1			
	Atlanta	3			1
	Augusta	2			
	Columbus	1	1		
	Macon	1			
	Savannah	2			
	Thomasville-Tellahassee	1			
Idaho	Boise	2			
	Idaho Falls-Pocatello	1			
	Lewiston	1			
	Nampa	1			
	Twin Falls	1			
Illinois	Champaign-Urbana	1		1	
	Chicago	4		1	
	Danville		1		
	Harrisburg		1		
	La Salle		1		
	Peoria		3		
	Quincy-Hannibal, Missouri	2			
	Rockford	1	1		
	Springfield-Decatur		2		
Indiana	Evansville-Henderson, Ky.	1	2		
	Fort Wayne		3		
	Indianapolis-Bloomington	4			
	Lafayette		1		
	Muncie		1		
	South Bend-Elkhart		3		
	Terre Haute	1			
Iowa	Cedar Rapids-Waterloo	3			
	Davenport-Rock Island-Moline	2			
	Des Moines-Ames	3			
	Fort Dodge		1		
	Sioux City	2			
Kansas	Ensign	1			
	Garden City	1			
	Goodland	1			
	Great Bend	1			
	Hays	1			
	Topeka	1			
	Wichita-Hutchinson	3			
Kentucky	Lexington		2		
	Louisville	2			1
	Paducah	1			
Louisiana	Alexandria	1			
	Baton Rouge	1	1		
	Lafayette	1			
	Lake Charles	1	1		
	Monroe	1		1	
	New Orleans	3		1	
	Shreveport	2			
Maine	Bangor	2			
	Portland-Poland Spring	3			
	Presque Isle	1			
Maryland	Baltimore	3			
	Salisbury		1		
Massachusetts	Adams		1		
	Boston	3		1	
	Greenfield		1		
	Springfield-Holyoke		2		
	Worcester		1		

Table 10—(Continued)

State	TV Market	Stations In Operation Commercial VHF	Commercial UHF	Non-Commercial VHF	Non-Commercial UHF
Michigan	Cadillac	1			
	Detroit	3			1
	Flint-Lansing-Saginaw-Bay City	3	1		
	Grand Rapids-Kalamazoo	2			
	Marquette	1			
	Traverse City	1			
	Onondaga	1		1	
Minnesota	Alexandria	1			
	Austin-Rochester-Mason City, Ia.	3			
	Duluth-Superior, Wis.	2			
	Minneapolis-St. Paul	4		1	
Mississippi	Columbus	1			
	Hattiesburg	1			
	Jackson	2			
	Meridian	1			
	Tupelo	1			
Missouri	Cape Girardeau	1			
	Columbia-Jefferson City	2			
	Joplin-Pittsburg, Kansas	2			
	Kansas City	3			
	Kirksville-Ottumwa, Ia.	1			
	St. Joseph	1			
	St. Louis	3		1	
	Sedalia	1			
	Springfield	2			
Montana	Billings	2			
	Butte	1			
	Great Falls	2			
	Glendive	1			
	Kalispell	1			
	Missoula	1			
Nebraska	Hay Springs	1			
	Hayes Center	1			
	Hastings	1			
	Kearney	1			
	Lincoln	1		1	
	North Platte	1			
	Omaha	3			
	Scottsbluff	1			
Nevada	Las Vegas-Henderson	3			
	Reno	1			
New Hampshire	Manchester	1			
New Mexico	Albuquerque	3		1	
	Carlsbad	1			
	Clovis	1			
	Roswell	1			
New York	Albany-Scbenectady-Troy	3			
	Binghamton	1	1		
	Buffalo-Niagara Falls	3			1
	Carthage-Watertown	1			
	Elmira		1		
	New York	7			
	Plattsburgh-Burlington, Vt.	2			
	Rochester	2			
	Syracuse	2			
	Utica-Rome	1			
North Carolina	Charlotte	2			
	Greensboro-High Point-Winston Salem	2			
	Greenville-Washington	2			
	Raleigh-Durham	2			
	Wilmington	1			
North Dakota	Bismarck	2			
	Dickinson	1			
	Fargo	1			
	Grand Forks	1			
	Minot	2			
	Valley City	1			
	Williston	1			
Ohio	Akron		1		
	Cincinnati	3			1
	Cleveland	3			
	Columbus	3			1
	Dayton	2			
	Lima		1		
	Toledo	2			
	Youngstown-New Castle, Pa.		3		
	Zanesville		1		
Oklahoma	Ada	1			
	Ardmore	1			
	Lawton	1			
	Oklahoma City-Enid	3		1	1
	Tulsa	3		1	
Oregon	Eugene	1			
	Klamath Falls	1			
	Medford	1			
	Portland	3			
	Roseburg	1			

Table 10—(Continued)

State	TV Market	Stations In Operation Commercial VHF	Commercial UHF	Non-Commercial VHF	Non-Commercial UHF
Pennsylvania	Altoona-Johnstown	2	1		
	Erie	1	1		
	Harrisburg-Lancaster-York-Lebanon	1	4		
	Lock Haven		1		
	Philadelphia	3			1
	Pittsburgb	3		1	1
	Wilkes-Barre- Hazleton-Scranton		3		
Rhode Island	Providence	2			
South Carolina	Anderson		1		
	Charleston	2			
	Columbia	1	1		
	Florence	1			
	Greenville-Spartanburg-Asheville, N.C.	3	1		
South Dakota	Aberdeen	1			
	Florence	1			
	Reliance	1			
	Rapid City	2			
	Sioux Falls	1			
Tennessee	Bristol-Jobnson City	2			
	Chattanooga	3			
	Jackson	1			
	Knoxville	2	1		
	Mempbis	3		1	
	Nashville	3			
Texas	Abilene-Sweetwater	2			
	Amarillo	3			
	Austin	1			
	Beaumont-Port Arthur	2			
	Big Spring	1			
	Brownsville-Harlingen-Weslaco	2			
	Bryan-College Station	1			
	Corpus Cbristi	2			
	Dallas-Fort Worth	4			
	El Paso	3			
	Galveston-Houston	3		1	
	Laredo	1			
	Lubbock	2			
	Lufkin	1			
	Monahans	1			
	Nacogdoches		1		
	Odessa-Midland	2			
	San Angelo	1			
	San Antonio	3	1		
	Texarkana	1			
	Tyler	1			
	Waco-Temple	2			
	Wicbita Falls	2			
Utah	Salt Lake City-Provo	4		1	
Vermont	(See Plattsburgh, N.Y.)				
Virginia	Harrisonburg	1			
	Norfolk-Portsmouth-Newport News-Hampton	2	2		
	Ricbmond-Petersburg	3			
	Roanoke-Lynchburg	3			
Washington	Bellingbam	1			
	Epbrata		1		
	Kennewick-Richland-Pasco		1		
	Seattle-Tocoma	5		1	
	Spokane	3			
	Yakima		1		
W. Virginia	Charleston-Oak Hill-Huntington-Ashland, Ky.	4			
	Clarksburg	1			
	Bluefield	1			
	Parkersburg		1		
	Wheeling-Steubenville, Ohio	2			
Wisconsin	Eau Claire	1			
	Green Bay-Marinette	3			
	La Crosse	1			
	Madison	1	2		1
	Milwaukee	3		1	
	Wausau	1			
Wyoming	Casper	2			
	Cheyenne	1			
	Riverton	1			
Alaska	Anchorage	2			
	Fairbanks	2			
	Juneau	1			
Hawaii	Hilo	1			
	Honolulu	3			
	Wailuku	3			
Puerto Rico	Mayaguez	1			
	Ponce	2			
	San Juan	2		1	
Guam	Agana	1			

APPENDIX B

TV PLANNING PARAMETERS

1	Height above Average Terrain	750 feet											
2	Frequency Band	54-88 mc (5 channels)			174-324 mc (25 channels)			174-474 mc (50 channels)			470-890 mc (70 channels)		
3	Geometric Mean Frequency	69 mc			240 mc			290 mc			650 mc		
4	Power (ERP)	20 dbk (100 kw)			25 dbk (316 kw)			27 dbk (500 kw)			30 dbk (1000 kw)		
5	Picture Quality	Gr. 2	Gr. 3	Gr. 4	Gr. 2	Gr. 3	Gr. 4	Gr. 2	Gr. 3	Gr. 4	Gr. 2	Gr. 3	Gr. 4
6	Service Grade	Pri.	Sec.	Fri.	Pri.	Sec.	Fri.	Pri.	Sec.	Fri.	Pri.	Sec.	Fri.
7	Thermal Noise (dbu @ 300 ohms)	7	7	6	7	7	6	7	7	6	7	7	6
8	Receiver Noise Figure (db)	7	6	5	10	8	6	11	9	7	12	10	9
9	Required Vis. Peak Noise ratio (db)	36	27	23	36	27	23	36	27	23	36	27	23
10	Transmission Line Loss (db)	2	2	2	3	3	3	4	4	4	5	5	5
11	Receiving Ant. Loss (db)	−3	−4	−7	−3	−5	−10	−5	−7	−12	−8	−10	−14
12	Dipole Factor (db) (−20Log96.5/fmc)	−3	−3	−3	8	8	8	10	10	10	17	17	17
13	Location Probability (L)	70%	50%	50%	70%	50%	50%	70%	50%	50%	70%	50%	50%
14	Req. Local Field F(L,90) (dbu)	46	35	26	61	48	36	63	50	38	69	56	46
15	Loc. Probability Factor R(L) (db)	3	0	0	4	0	0	5	0	0	6	0	0
16	Req. Median Field F(50,90) (dbu)	49	35	26	65	48	36	68	50	38	75	56	46
17	Service Range (mi) (Noise Limited)	50	74	110	38	58	72	33	51	67	26	40	48
18	Co-channel S/I Ratio (db)	36	24	20	36	24	20	36	24	20	36	24	20
19	Adj. Channel S/I Ratio (db)	−22	−26	−31	−22	−26	−31	−22	−26	−31	−22	−26	−31
20	Rec. ant. front/back ratio (db)	3	4	7	3	5	10	5	7	12	8	10	14
21	Dist. to co-ch lim (mi) (S=215 mi)	38.5	57	65	>38	>58	69	>33	>51	>67	>26	>40	>48
22	Dist. to adj-ch lim (mi) (S=100 mi)	>50	67.5	74	>38	>58	>72	>33	>51	>67	>26	>40	>48

Explanation of TV Planning Items

1. Transmitting Antenna Height—The value selected (750 feet) is considered typical for all channels.

2. Frequency Band—The bands selected are related to the several TV allocation plans under consideration. Subsequent items, tabulated for 174-234 mc were assumed to be the same as for the present high-vhf band.

3. Geometric Mean Frequency—This is the center frequency (percentage-wise) of each band. It is the nominal frequency of each band, on which the respective parameters are based.

4. Power (ERP)—The power listed is the assumed ceiling power for each band, except the 470-890-mc band where it is assumed that 1000 kw is the maximum practicable value for planning purposes at this time.

5. Picture Quality—This is the subjective quality of the picture as seen by the viewer. It is expressed according to the following scale as used by TASO:

Grade	Name	Description
1	Excellent	The picture is of extremely high quality, as good as you could desire.
2	Fine	The picture is of high quality providing enjoyable viewing. Interference is perceptible.
3	Passable	The picture is of acceptable quality. Interference is not objectionable.
4	Marginal	The picture is poor in quality and you could improve it. Interference is somewhat objectionable.
5	Inferior	The picture is very poor but you could watch it. Definitely objectionable interference is present.
6	Unusable	The picture is so bad that you could not watch it.

6. **Service Grade**—Three grades of service are designated as follows:

Service Grade	Description
Primary	A Grade 2 (Fine) picture can be obtained in at least 70% of receiving locations with a simple roof top receiving antenna installation.
Secondary	A Grade 3 (Passable) picture can be obtained in at least 50% of locations with a moderately good receiving installation.
Fringe	A Grade 4 (Marginal) picture can be obtained in at least 50% of receiving locations with a very good receiving installation.

The receiving antenna height assumed in each case is 30 feet. It is recognized that viewers may improve their picture quality by installing higher antennas, or higher-gain antennas than assumed in defining grades of service. Also the percentage of locations receiving at least the assumed picture quality may be increased if those locations receiving inferior pictures install better receiving equipment than assumed.

7. **Thermal Noise**—This is the computed thermal noise level in dbu across 300 ohms assuming receiver i.f. bandwidth of 4 mc. for primary and secondary service, (allowing for color) and 3.3 mc. for fringe service.

8. **Receiver Noise Figure (db)**—These assumed noise figures are based on assumed fair, average and good receiver characteristics for primary, secondary and fringe service, respectively.

9. **Required/Visual Peak/Noise Ratio (db)**—The values listed were taken from the TASO Panel 6 final report.

10. **Transmission Line Loss (db)**—The listed values were derived from the TASO Panel 2 final report for 30 feet of line. The figures listed correspond approximately to the average values for 5-year-old line when wet. It is recognized that better line may be used in poor locations.

11. **Receiving Antenna Loss (db)**—The values listed are relative to a half-wave dipole, negative values indicating gain. These values correspond approximately to the minimum, average and maximum antenna gains for primary, secondary and fringe service, respectively as reported by TASO on the basis of questionnaire returns. For fringe area installation, separate antennas or a rotor may be required if stations in different cities are to be received.

12. **Dipole Factor (db)**—The dipole factor is the ratio, in db, of the signal field strength to the signal voltage delivered by a half-wave dipole at a 300-ohm load. This factor is added to the antenna terminal voltage at the receiver to obtain the field strength which will produce that voltage when using a dipole antenna.

13. **Location Probability(L)**—This is the percentage of locations at which the assumed quality of picture is equalled or exceeded. It is one of the basic criteria for defining grades of service.

14. **Required Local Field (dbu)**—This is the field strength required at any receiving location. It is obtained by adding (algebraically) the values in items 7, 8, 9, 10, 11 and 12 for the respective columns. 90% time availability has been selected as a standard.

15. **Location Probability Factor R(L) (db)**—This is the number of db which must be added to item 14 in order to obtain the value of field strength at the median location [F(50,90)] which is necessary in order to have at least the required local field at 70 per cent of locations. The values listed for R(L) were obtained from Fig. 10 of T.R.R. Report 2.4.16, used for Appendix "A" of the June 1956, Order in Docket 11532.

16. **Required Location Median Field F(50,90) (dbu)**—This is the field strength exceeded at 50% of locations for at least 90% of time, for the specified service grade.

17. **Service Range (Noise Limited) (mi)**—These distances are derived from the propagation curves [F(50,90)] used in T.R.R. Report 2.4.16. These distances apply in case there is no interference from other stations. For 240 mc, the 195-mc curves were used. For 290 mc, interpolated curves were drawn using the 195- and 700-mc. The 700-mc values were used for the uhf band.

18. **Co-channel Signal/Interference Ratio (db)**—These values were obtained by analysis of the summaries of experimental data given in the TASO Panel 6 report. These data were obtained from subjective observations of a large number of persons, for the several grades of picture quality. The listed values are the averages of the data for (non-precise) offset frequencies of 9985 cps and 19,995 cps.

19. **Adjacent Channel Signal/Interference Ratio (db)**—These values were obtained by TASO from their analysis of the experimental subjective data, as reported by Panel 6.

20. **Receiving Antenna Front/Back Ratio (db)**—The receiving antenna is assumed to have a response equal to a dipole in the back directions. Accordingly, the listed values are equal to the assumed receiving antenna loss (Item 11). These values are generally less than given by TASO for antennas but the reduction is considered necessary to include effects of surrounding objects in a normal installation.

21. **Distance to Co-channel Limitation (mi)**—For the average co-channel separation (215 mi) the distance to the co-channel interference limited service range was computed using the formula given in the Ad Hoc Committee Report. The acceptance ratio (A) given in Item 18 was reduced by subtracting the front/back ratio of the receiving antenna (Item 20). The propagation data used for these computations are those used in T.R.R. Report 2.4.16 for "Appendix A."

22. **Distance to Adjacent Channel Limitation (mi)**—For the average adjacent channel separation (100 mi), the distance to the interference limited service range was computed using the formula given in the Ad Hoc Committee Report. The acceptance ratio (A) given in Item 19 was reduced by subtracting the front/back ratio of the receiving antenna (Item 20). The propagation data used are those used in T.R.R. Report 2.4.16 for "Appendix A."

WEEKLY **Television Digest**

APR 27 1959 **SPECIAL SUPPLEMENT**

APRIL 27, 1959

Full text of

FCC Proposal to Amend TV Option-Time Rules

Designed to Improve Competitive Position of Non-Network Groups and Give Greater Freedom of Program Selection to Affiliates

Comr. Hyde Dissenting; Comr. Craven Dissenting in Part, Concurring in Part

Notice of Proposed Rule-Making Issued April 23, 1959 as FCC Public Notice 59-385.

Comments Due by June 22, 1959 (see TELEVISION DIGEST, Vol. 15:17)

In the Matter of

Amendment of Sections 3.658(d) and (e) of the Commission's Rules and Regulations to modify option time and the station's right to reject network programs. } Docket No. 12859

NOTICE OF PROPOSED RULE MAKING

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. By Public Law 112, 84th Congress, 1st session, the Commission was authorized and directed to conduct a study of radio and television network broadcasting. The study was formally instituted by the Commission's Delegation Order No. 10 of July 22, 1955 (FCC 55-810) which delegated to a Network Study Committee of four Commissioners the Commission's powers and jurisdiction to carry out the study. The purposes and objectives of the study were announced by the Network Study Committee in Public Notice (FCC 55M-977) and separate Order of November 21, 1955 (FCC 55M-978). A special Network Study Staff was organized to conduct the study.

3. On October 3, 1957, the Director of the Commission's Network Study Staff submitted to the Network Study Committee a Report on Network Broadcasting. The Report contained, among other matters, a study of the option time arrangements of the television networks operated by the American Broadcasting Co., Columbia Broadcasting System, and National Broadcasting Co., and of the right of affiliated stations to reject network programs under these arrangements. The Report recommended that option time be prohibited as contrary to the public interest. On January 9, 1958, the Commission issued a Notice of Public Hearing (FCC 58-37) in Docket No. 12285, in the matter of the Study of Radio and Television Network Broadcasting. A public hearing was held before the Commission *en banc*, commencing on March 3, 1958, for the purpose of affording interested parties an opportunity to comment on the findings, recommendations and conclusions contained in the Report on Network Broadcasting. Through this procedure the Commission has had the benefit of the views of interested persons and organizations in its consideration of the need for a revision of its rules and policies in the broadcast field. The parties appearing at the hearing were virtually unanimous in their opinion that the networking system, as it is known today, would be seriously eroded, if not destroyed, by the abolition of option time.

4. Subsequent to the completion of oral testimony in the hearing, the Commission prepared ultimate findings on the option time practice. The Commission found that optioning of time by affiliated stations to their networks is reasonably necessary to the successful conduct of network operations and is in the public interest. The Commission pointed out, however, that this does not necessarily mean that all of the features of the present option time arrangements are necessary to network operations. The findings were referred to the Department of Justice on January 14, 1959, for a formal opinion of the Attorney General on the applicability of the antitrust laws to the present option time practice. By letter of February 27, 1959, Victor R. Hansen, Assistant Attorney General in charge of the Antitrust Division, informed the Commission that in his opinion the referenced option time practice "runs afoul" of the Sherman Antitrust Act. The Commission's findings and the opinion of the Assistant Attorney General have been incorporated into the public record in Docket No. 12285.

5. At this time, the Commission proposes to institute a rule-making proceeding to consider the desirability of modifying the present Chain Broadcasting Rules relating to option time. These proposed rules are designed to improve substantially the competitive position of other groups as affected by option time, and the freedom of program selection of the station under its affiliation contract, while maintaining the essential features of the practice. The specific rule changes in Sections 3.658(d) and (e) which the Commission proposes to consider involve the number of hours of option time, the application of option time to "straddle" programs, the period of advance notice required before the option may be exercised, and the station's right to reject network programs.

Amendments to Section 3.658(d)

6. Number of hours of option time. Section 3.658(d) now provides in part that "No license shall be granted to a television broadcast station which options for network programs . . . more time than a total of 3 hours within each of four segments of the broadcast day, as herein described. The broadcast day is divided into four segments, as follows: 8 a.m. to 1 p.m.; 1 p.m. to 6 p.m.; 6 p.m. to 11 p.m.; 11 p.m. to 8 a.m." The Commission proposes to consider an amendment to this part of the rule to reduce from 3 to 2½ the total number of hours within each segment of the broadcast day which a station may option for network programs. An affiliated station may, as at present, accept any additional network programs offered wholly outside of the hours designated as option time, but may not option such time periods for network programs. This proposed rule change is intended to have the twofold purpose of: (a) providing greater latitude to stations to select among alternative program sources during an additional

half hour of time within each segment of the broadcast day; and, correspondingly, of (b) providing non-network groups (program suppliers, station representatives, and local, regional, or national advertisers) with the opportunity to gain access to an additional period of prime time within each segment on an equal basis to the networks and network advertisers.

7. **Straddle programs.** Certain network programs, commonly referred to as "straddle" programs, originate in time periods designated in the network affiliation contract as option time and extend into non-option time, or originate in non-option time and extend into the time periods designated as option time. For example, under present rules, a station and network may have agreed upon the hours of 7:30 p.m. to 10:30 p.m. as option time within the 6 p.m. to 11 p.m. segment. The network, on one or more evenings of the week, may be telecasting a single hour-long program, such as a popular dramatic program, which the station has agreed to carry and which begins at 10 p.m. and ends at 11 p.m., thus straddling both option and non-option (station) time. The Commission proposes to consider the addition of a note to Section 3.658(d) which would prevent these "straddle" programs from having the effect of extending network programming into non-option time periods.

8. The present Commission rules make no reference to "straddle" programs. One television network has stated that it considers its option right to apply to that portion of the program falling within the option time hours (e.g. 10-10:30 p.m.) but not to the remainder of the program (e.g. 10:30-11 p.m.) The other two television networks have stated that they consider that option time does not apply to any part of such a program. In practice, it may be difficult, if not impossible, for the station to divide a single program of drama or variety into two segments so that it could accept and carry that portion falling within the option time hours and not the remainder of the program, if it wished to do so. Also, even if some of the networks do not technically seek to exercise option rights against any part of such straddle programs, in practice most stations tend to accept them, for several reasons: the programs have generally been very popular, the stations must decide to accept or reject the programs as single units, and the programs originate during time periods traditionally occupied by network programming under the option time agreement. It has been alleged, therefore, that the practical effect of "straddle" programs is to extend network programming into station time periods.

9. The Commission proposes to consider adding a note to Section 3.658(d) to indicate that, in determining the number of hours of option time, any network program which begins during the hours agreed upon by the network and station as option time and extends into non-option time, or which begins during non-option time and extends into the hours agreed upon as option time shall be considered as falling entirely within option time. Under this proposed construction of the rule, for example, a station which has already optioned to a network or networks the 7:30-10:30 p.m. period could not agree to accept and carry a "straddle" program extending from 10 to 11 p.m. without exceeding the maximum number of hours permitted by the Commission rule. This proposed interpretation of Section 3.658(d) would not make it impossible for a station to carry such a program. In order to do so, however, the station and network would have to remove a half-hour period of time within the same segment (as, for example, 7:30-8 p.m.) from the network's option agreement. The station could carry network programming during the 7:30-8 p.m. period, but could not agree to option the time to the network. The network's option hours, in the example in question, would thus be changed from 7:30-10:30 p.m. to 8:00-11:00 p.m., and there would be no extension of network programming into a station time period since the former "straddle" program would now fall entirely within option time.

10. The Commission recognizes that there are certain live network programs of national importance involving educational, cultural or public affairs, special events, or sporting events which, because of their length necessarily straddle option and station time, and which it would be in the public interest for stations to broadcast as a unit or at the time the events take place. Because of the length of such programs or the fact that the programs can only be broadcast when the event takes place, inclusion of the program as a whole in option time might result in the station exceeding the maximum permissable number of hours of option time in the time segment, or might prevent the station from optioning any other time for network programs in the same time segment. The Commission therefore proposes to make an exception for programs of this type. This exception would not apply to dramatic programs of an entertainment variety, the length and time scheduling of which are under the control of the networks so that the programs can be broadcast to fall entirely within the regular option time hours.

11. **Length of notice.** Section 3.658(d) also provides in part that "No license shall be granted to a television broadcast station which options for network programs any time subject to call on less than 56 days' notice . . ." The Commission proposes to consider an amendment to Section 3.658(d) which would introduce more flexibility into the required period of advance notice before a network may exercise its option, in order to take into account a variety of situations that may occur in practice. The proposed amendment is designed to provide the station and advertiser with more protection against the network's exercise of its option time rights to pre-empt a non-network program then being broadcast or scheduled shortly to be broadcast in the time period. This protection would extend up to a maximum of 13 weeks of the program. At the same time, the amendment would enable the network to exercise its option on less advance notice than the present 8 weeks, in situations where this would not result in the preemption of a non-network commercial program currently being broadcast or scheduled shortly to be broadcast in the time period. An advance notice of at least 4 weeks would be required in any circumstance.

12. The minimum period for advertiser sponsorship of programs in television is generally 13 weeks. Program sponsorships of 26, 39, and 52 weeks are also common. It has been stated that the 56 day (8 week) pre-emption right of the networks under the present rule makes it difficult for the station and a non-network advertiser to enter into a contract for a time period subject to the network's option, even when the station may not currently be ordered for a network program during the time period, since the non-network program may subsequently be pre-empted before it has run its normal course. In order to enable a station to fulfill a minimum-term contract with a non-network advertiser, while still permitting the network to exercise its option right upon reasonable notice, the Commission proposes to consider an amendment to the existing rules which would prohibit an agreement to make time subject to call on less notice than 13 weeks, or the termination date of a firm contract with an advertiser for a non-network program, whichever is less. Thus, under the proposed amendment, if a station has entered into a firm contract of 13 weeks with an advertiser for a non-network program, and the termination date of the contract is in 10 weeks, the network's option could not be exercised on less than 10 weeks' notice. If the contract with the non-network advertiser has 13 weeks or more to run (for example a 26 week contract due to be terminated in 18 weeks) the network's option could not be exercised on less than 13 weeks' notice. On the other hand, if the termination date of the contract is in 6 weeks, the network could exercise its option on 6 weeks' notice, a shorter period of advance notice than is presently required.

13. In order to take into account the possibility that a single non-network program may be sponsored by several different advertisers whose contracts have different termination dates, the proposed rule would provide that the network's option could not be exercised prior to the latest of the termination dates of the several contracts, up to the maximum of 13 weeks. The 13 week maximum period of advance notice would apply to *consecutive* weeks. Thus, two alternate-week sponsors, each of whom had a contract for 13 (alternate) weeks, would not be guaranteed against pre-emption for the full term of the contracts.

14. The proposed amendment would also recognize the need of a station to plan its program schedule in advance and to enter into firm committments for the sale of a non-network program prior to the starting date of the program. Under the proposed rule, if a station has entered into a firm contract with an advertiser for a non-network program

within 4 weeks of the starting date of the program, the network may not exercise its option, pursuant to its contractual agreement with the station, prior to the first 13 weeks of the program. The proposed rule would apply in similar fashion to renewals of existing contracts entered into within 4 weeks of the starting date of the renewed program. For example, a station and non-network advertiser may have entered into a contract for 13 weeks, which is due to terminate in 2 weeks but which has been renewed for a period of 13 weeks at the time that the network seeks to exercise its option. In this case, the pre-emption could not take effect until the end of the renewed program (in 15 weeks).

15. The proposed amendment would provide for a minimum notice of four weeks in those situations where the station does not have any non-network program contract commitments, or where such commitments are due to terminate within a short period and the station has not signed another firm contract to renew or replace the program. Such a minimum notice requirement may be necessary so that the station may have adequate time to determine whether or not to accept the network program, and to make or adjust its own program plans accordingly.

16. It should be noted that the proposed rule, as at present, would apply to any contract, arrangement or understanding between a station and a network. It would not preclude a station from voluntarily accepting a particular network program on a period of notice shorter than that specified in the rule, but would prohibit an agreement with the network that would require the station to accept a network program in option time on less notice than the minimum time periods described above.

17. With the proposed amendments described above, Section 3.658(d) would provide as follows:

> No license shall be granted to a television broadcast station which options for network programs: (1) any time subject to call (a) prior to thirteen weeks or the termination date, or the latest of the termination dates, of a firm contract or contracts for a non-network program between the station and an advertiser or advertisers, whichever is less, or (b) if such program is scheduled under a firm contract to begin within four weeks, prior to the first thirteen weeks of the program, or (c) in any event, prior to four weeks' notice; or (2) more than a total of 2½ hours within each of four segments of the broadcast day, as herein described. The broadcast day is divided into four segments, as follows: 8 a.m. to 1 p.m.; 1 p.m. to 6 p.m.; 6 p.m. to 11 p.m.; 11 p.m. to 8 a.m. (These segments are to be determined for each station in terms of local time at the location of the station but may remain constant throughout the year regardless of shifts from standard to daylight saving time or vice versa.) Such options may not be exclusive as against other network organizations and may not prevent or hinder the station from optioning or selling any or all of the time covered by the option, or other time, to other network organizations.
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> Note 1: As used in this section, an option is any contract, arrangement or understanding, express or implied, between a station and a network organization which prevents or hinders the station from scheduling programs before the network agrees to utilize the time during which such programs are scheduled, or which requires the station to clear time already scheduled when the network organization seeks to utilize the time.
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> Note 2: All time options permitted under this section must be specified clock hours, expressed in terms of any time system set forth in the contract agreed upon by the station and network organization. Shifts from daylight saving to standard time or vice versa may or may not shift the specified hours correspondingly as agreed by the station and network organization.
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> Note 3: In determining the number of hours of option time, any network program which begins during the hours agreed upon by the network and station as option time and extends into non-option time, or which begins during non-option time and extends into the hours agreed upon as option time, shall be considered as falling entirely within option time. This provision shall not be applicable to live programs of national importance involving educational, cultural or public affairs, special events, or sporting events which, because of their length necessarily straddle both option time and non-option time and which it would be in the public interest for stations to broadcast as a unit or at the time that the events take place.

Amendments to Section 3.658 (e)

18. **Right to reject programs as unsatisfactory or unsuitable.** Section 3.658 (e) of the Chain Broadcasting Rules now provides:

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

This rule, it will be noted, differentiates between the station's right to reject or refuse network programs *offered* to the station and those already *contracted* for by the station. The Commission proposes to consider an amendment to this rule which would give the station the same rejection rights in both circumstances.

19. Under the present rule, a station may not enter into an agreement or understanding which prevents it from rejecting or refusing a program *offered* pursuant to a network contract which the station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or from substituting a program of outstanding local or national importance. When a station has already *contracted* for a network program, the agreement with the network may not prevent it from rejecting or refusing the program as contrary to the public interest or from substituting a program of outstanding local or national importance. Under the present rule, however, a station may enter into an agreement with a network which would prevent it from rejecting or refusing a program already contracted for even though the station reasonably believes the program to be unsatisfactory or unsuitable. It may be desirable for a station to be in a position to reject or refuse a network program as unsatisfactory or unsuitable after the program has been contracted for. It has been pointed out, for example, that in some instances a station may not be in a position to determine prior to the time that a network program is contracted for whether or not subsequent programs in the series will prove to be satisfactory or suitable to the interests of the community which it serves. The Commission therefore proposes to consider an amendment to Section 3.658 (e) which would broaden the station's right to exercise its judgment with respect to the acceptance or rejection of network programs so that a station and network may not reach an agreement which would prevent the station from refusing a network program already contracted for which the station reasonably believes to be unsatisfactory or unsuitable.

20. **Right to substitute programs.** The present language of Section 3.658 (e) prohibits a station from entering into an agreement with a network which would prevent it from substituting for a network program offered or contracted for a program of outstanding local or national importance. The station is not, however, prohibited from entering into an agreement which would prevent it from substituting a program which the station considered to be of greater (as distinct from outstanding) local or national importance. It may be desirable for a station to be in a position to reject a network program in order to substitute a program which it consider to be more in the interests of its viewing public. The Commission therefore proposes to consider an amendment to Section 3.658 (e) whch would broaden the

station's right to exercise its judgment with respect to the acceptance or rejection of network programs so that a station and network may not reach an agreement which would prevent the station from substituting for a network program a program of greater local or national importance.

21. With the two amendments proposed above, Section 3.658 (e) would provide as follows:

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

22. The Report on Network Broadcasting did not study the option time arrangements in the radio field, and the present Notice of Proposed Rule Making applies specifically to television. Parties filing comments are also requested to direct their attention to the need for or desirability of issuing a similar Notice of Proposed Rule Making with respect to network option time in radio.

23. Any interested party desiring to file comments with respect to the above matter may file with the Commission, on or before June 22, 1959, a written statement or brief setting forth his comments. Comments or briefs in reply to the original comments may be filed within 30 days from the last day for filing said original comments. No additional comments may be filed unless (a) specifically requested by the Commission or (b) good cause for the filing of such additional comment is established.

24. In accordance with the provisions of Section 1.54 of the Commission's Rules and Regulations, an original and 14 copies of all statements, briefs or comments shall be filed.

25. Authority for the adoption of the proposed amendments is contained in Section 4 (i), 303 (f) and 303 (i) of the Communications Act of 1934, as amended.

FEDERAL COMMUNICATIONS COMMISSION
MARY JANE MORRIS
Secretary

DISSENTING STATEMENT OF COMMISSIONER HYDE

I dissent to the Notice of Proposed Rule Making in so far as proposals therein give approval to network optioning of station time.

The instant notice proposes five changes with respect to present option rules including a reduction of one-half hour in each time segment from the maximum now permitted by Commission rules. This, I think, illustrates how regulation breeds further and more complicated regulation. It also indicates a trend toward a situation in which the F.C.C. will inevitably find itself more and more deeply involved in regulating the terms and conditions under which stations make their program choices.

I reaffirm my preference to rely on the self-regulating force of competition which, I think, was clearly intended by those who framed the Communications Act.

CONCURRING IN PART AND DISSENTING IN PART STATEMENT OF COMMISSIONER CRAVEN

I concur in this Notice of Proposed Rule Making except as to the contemplated reduction in option time from 3 to 2½ hours. I believe they should remain as at present.

I dissent from that part of the rules which construe that straddling programs are entirely within option time.

CONCURRING STATEMENT OF COMMISSIONER FORD

I do not believe the foregoing proposed rule changes will entirely eliminate the legal questions involved in the option time practice. The proposed rule changes appear, however, to minimize those questions. I, therefore, concur in the Notice.